

HON'BLE SRI JUSTICE A. RAMALINGESWARA RAO

WRIT PETITION NO.35229 OF 2017

ORDER:

Heard learned counsel for the petitioner, learned counsel for respondents 1 and 2 and learned counsel for 3rd respondent.

Notice to 4th respondent is dispensed with in view of the consensus arrived at by the petitioner and respondents 1 and 2 based on averments in the writ petition and counter affidavit.

The petitioner is a registered Trade Union and a sole collective bargaining agent insofar as the Officers working in the 1st respondent-Bank are concerned. The service regulations of the 1st respondent were notified on 20.09.2010 after obtaining previous sanction of Central Government as provided under Section 30 of the Regional Rural Banks Act, 1976 (for short 'the Act').

Regulation 72 (1) of the Regulations deals with payment of Gratuity and it reads as follows:

“(1) An officer or employee shall be eligible for payment of gratuity either as per the provisions of the Payment of Gratuity Act, 1972 (39 of 1972) or as per sub-regulation (2), whichever is higher.”

However, now a Circular vide No.APGVB/PER&HRD /53/2017-18 is issued on 10.10.2017 which resulted in filing of the present writ petition as Sub-Regulation (2) of

Regulation 72 does not contain any method of computing the quantum of gratuity payable. Hence, the Sponsoring Bank addressed a letter to the 4th respondent proposing to read Sub-Regulation (2) as mentioned in the Service Regulation 72(1) as sub-regulation (3). The 4th respondent advised the Sponsoring Bank to wait for the instructions of the Government of India as any amendment to Service Regulations requires approval of Government of India. It wanted to pay only an amount of Rs.10 lakhs until requisite amendment is effected in the Regulations by Government of India.

But, a reading of the above Regulation 72 does not create any doubt in payment of amount of Gratuity, and now in the counter affidavit filed by respondents 1 and 2, it is made clear that they are calculating the gratuity in respect of Officers by computing in both ways i.e., in terms of Regulation 72 (3) read with Regulation No. 2(m) of Andhra Pradesh Grameena Vikas Bank Service Rules 2010 and also as per the provisions of Payment of Gratuity Act, 1972 which imposes a ceiling of Rs.10 lakhs and the amounts thus calculated, whichever is higher is being paid.

Though the impugned Circular created some confusion in the mind of the petitioner, in view of the clear stand taken by respondents 1 and 2 in their counter affidavit, there cannot be any apprehension in the mind of the petitioner in receiving the amounts of gratuity as per

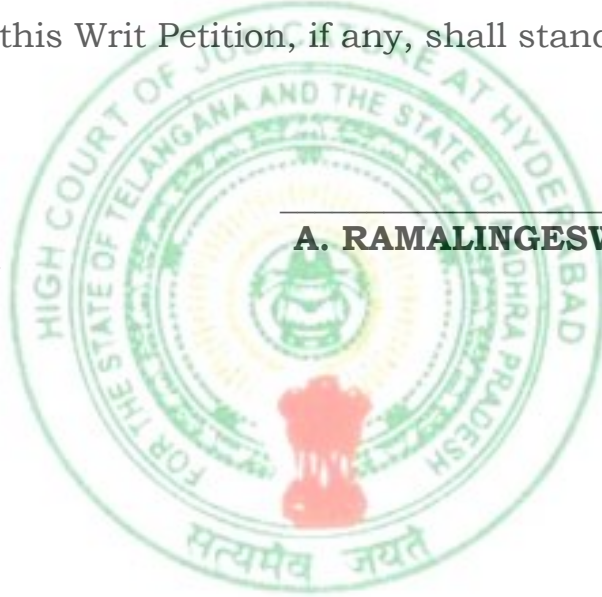
Regulation 72 of the Regulations payable to the 1st respondent-Bank.

In view of the said clarification, no further adjudication in the present writ petition is necessary and the writ petition is accordingly closed. However, if any amendment is made pursuant to the direction of the Central Government, it is open to the petitioner to agitate its rights as and when cause arises. No order as to costs.

As a sequel thereto, the miscellaneous petitions pending in this Writ Petition, if any, shall stand closed.

30.10.2017
dv

A. RAMALINGESWARA RAO, J



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Date:30.10.2017

