

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

LPA-671-2016 (O&M)

Date of Decision: September 25, 2018

The Punjab State Federation of the Cooperative House Building Societies
Limited

.....Appellant

Versus

Registrar Cooperative Societies, Punjab and others

.....Respondents

**CORAM: HON'BLE MR.JUSTICE SURYA KANT
HON'BLE MR. JUSTICE SUDIP AHLUWALIA**

Present: Mr.Ashwani Prashar, Advocate for the appellant.

Mr.Sandeep Vermani, Addl.AG, Punjab.

Mr.Gagandeep Singh, Advocate for respondent No.2.

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SURYA KANT, J.(ORAL)

The question which falls for consideration in this case is whether respondent No.2 is entitled to payment of gratuity to the tune of ₹1,92,390/- or ₹3.50 lacs, as awarded by learned Single Judge vide order under appeal dated 22.03.2016?

[2] The facts are that respondent No.2 served the appellant and its allied Institutes for over 41 years with a spotless service career. He retired on attaining the age of superannuation on 29.02.1996. A meagre amount of ₹5,000/- was paid as gratuity to him. After a long fight with the Authorities, the Registrar Cooperative Societies, Punjab eventually issued the Circular

dated 27.06.2000 (Annexure R-2/2) whereby the officers/officials of the appellant-organisation were also held entitled to retirement gratuity w.e.f. 01.01.1996 at par with the employees of Punjab Government.

[3] It was after the said Circular of Registrar Cooperative Societies that the appellant decided to pay ₹1,92,390/- as gratuity to the respondent. The said amount was paid also. The respondent, however, claimed that the formula applied for calculating the gratuity amount was erroneous and had there been correct calculation with the multiplier of 33, the gratuity amount payable to him would come to ₹3,84,780/-. However, there being a ceiling of ₹3.50 lacs, learned Single Judge has held the respondent entitled to ₹3.50 lacs as the gratuity amount.

[4] The dispute in the instant appeal thus is for about ₹1,60,000/- or so.

[5] The respondent is now a senior citizen of more than 82 years old. At this juncture of life, he needs more financial assistance for factors like medical aid and medicines or for assistance in day-to-day life. Assuming that the learned Single Judge applied a wrong formula, yet we are not inclined to reduce the gratuity amount for the obvious reason that whatever payable to the respondent in the year 1996, was actually paid in the end of the year 2000. Even if the interest is awarded on delayed payment, it will be somewhere equivalent to what is alleged to have been ordered to paid in excess. Since the Rule applied by the learned Single Judge appears to be a debatable issue, this instant appeal is disposed of with a clarification that though the respondent shall be paid gratuity as awarded

by the learned Single Judge, the said order shall not be treated as a binding

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precedent for deciding the future cases which shall be decided as per their own merit.

**(SURYA KANT)
JUDGE**

September 25, 2018
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**(SUDIP AHLUWALIA)
JUDGE**

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|---------------------------------------|---------------|
| 1. Whether speaking/reasoned ? | Yes/No |
| 2. Whether reportable ? | Yes/No |