

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

COMPANY APPLICATION No. 57 of 2019

ORDER:

It is asserted by Applicant that her husband, by name, M. Vijaya Kumar, worked as Company Paid Assistant in the Office of the respondent – Official Liquidator and he expired on 01.01.2019. Her grievance is that respondent - Official Liquidator paid terminal benefits by taking into account his Basic Pay as Rs.11,320/- instead of Rs.30,200/-. In the circumstances, she filed this Company Application.

It is the specific contention of the learned counsel appearing for the Applicant that while recommending the enhancement of wages to be paid to the Company Paid Assistants, as on 01.01.2018, the Official Liquidator had shown the Basic Pay of the Applicant's husband as Rs.30,200/-. In view of the same, calculation of terminal benefits by taking into account the Basic Pay of the Applicant's husband as Rs.11,300/- is unreasonable and has no basis.

Learned Assistant Official Liquidator appearing in person, while opposing this Company Application, would submit that pursuant to the note put up by the Official Liquidator, this Court passed order on 01.10.2016 rejecting the claim of the Company

Paid Assistants to be paid on par with the Central Government employees as VII Central Pay Commission Pay fixation has no application to them. He would further submit that there is no Basic Pay concept so far as the Company Paid Assistants are concerned. He would also submit that in the order dated 05.07.2018, this Court held that consolidated emoluments be paid to the Company Paid Staff, as such, the demand of the Applicant that the Basic Pay of her husband be considered as Rs.30,200/- has no basis and accordingly, prays for rejection of this Company Application.

It is not in dispute that on 01.03.2010, this Court upon perusing Administrative Report No.26/2010 of the Official Liquidator, allowed the following prayers sought by the Official Liquidator.

- a. To accord necessary sanction to the OL to create a separate Account in the name and style of “Company Paid Staff Terminal Benefit Fund Account” with Andhra Bank, Kendriya Sadan Extension Counter, Sultan Bazar, Kothi, Hyderabad where the salary account of the Company Paid Staff is currently maintained.
- b. To accord necessary sanction permitting the OL to withdraw a sum of Rs.75 lacs from the Estate & Establishment Fund account to facilitate the OL to invest the same in interest bearing Fixed Deposit on long term basis with the said Bank to be renewed from time to time as and when the need arises.

- c. To accord necessary permission to the OL to settle the terminal benefits of respective Company Paid Staff in terms of the Guidelines of the CP Staff Terminal Benefit Fund by withdrawing the requisite amount from the “Company Paid Staff Terminal Benefit Fund Account”.
- d. To accord necessary permission to the OL to maintain a separate register and accounts for the CP Staff Terminal Benefit Fund under the yearly audit by a Chartered Accountant who is on the panel of the office of the OL.
- e. To accord necessary permission to the OL to submit the Annual Accounts of the “Company Paid Staff Terminal Benefit Fund Account” along with the Audit Report of the Chartered Accountant to the Hon’ble High Court.
- f. To accord permission to Official Liquidator to meet the expenses towards the terminal benefit to the Company Paid Staff from out of the Estate and Establishment Fund A/c in the event of any shortfall in the funds of “Company Paid Staff Terminal Benefit Fund Account” while making payment/s.
- g. To accord permission to Official Liquidator to enhance the Earned Leave of company paid staff from the present limit of 20 leaves per calendar year to 30 leaves per calendar year and further permit to carry forward the said unavailed earned leave to the next year to their credit up to a maximum of 240 days with a facility for encashment subject to a maximum of 120 days at the time of termination of their service.

A perusal of Annexure-I attached to the order passed by this Court on 05.07.2018 discloses the Pay Matrix of the

Applicant's husband as on 01.01.2018 as Rs.30,200/- as well as DA, HRA, Transport Allowance and NPS.

It is also not in dispute that there is an account created in the name and style of Company Paid Staff Terminal Benefit Fund, as evident from the Minutes of the Company Judge dated 01.03.2010. However, this is the first instance where the Applicant had submitted a claim. Therefore, the amounts, which are being claimed by the Applicant, are required to be paid from the said account.

In those circumstances, this Company Application is allowed with the direction to the Official Liquidator to calculate the terminal benefits of the Applicant's husband by taking into account his Basic Pay as Rs.30,200/- and pay the differential amount to the Applicant.

CHALLA KODANDA RAM, J

31st JANUARY, 2020.

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