2024:PHHC:170605

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 6777 of 2023
Date of Decision: 19.12.2024

Mahender Singh and others

….Petitioners

vs.

State of Haryana and others

….Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: Mr. Vishal Gupta, Advocate for
Mr. Amit Gupta, Advocate
for the petitioners

Mr. Raman Sharma, Addl. A.G., Haryana

Ms. Prerna Malhotra, Advocate for
Mr. Sukhdeep Parmar, Advocate
for respondent No. 4

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JAGMOHAN BANSAL, J. (ORAL)

1. The petitioners through instant petition under Articles 226/227 of the Constitution of India are seeking setting aside of order dated 23.11.2022 (Annexure P-31) directions to respondents to grant enhanced gratuity as per Haryana Government Notification dated 03.03.2017 which was made applicable with effect from 01.01.2016.

2. The petitioners are former employees of Haryana Scheduled Castes Finance and Development Corporation-respondent No. 4 (in short

"the Corporation"). They on attaining the age of superannuation retired after 01.01.2016. They were paid gratuity subject to ceiling of Rs. 10 lakh as at that point of time ceiling was Rs. 10 lakh. State Government by Notification dated 03.03.2017 enhanced ceiling of gratuity from Rs. 10 lakh to Rs. 20 lakh. The enhanced limit came into force with effect from 01.01.2016. The instructions of Government were adopted by almost all the Corporations owned and controlled by State Government. The Board of Directors of the Corporation in its meeting dated 20.06.2018 approved adoption of maximum limit of 20 lakh as per State Government Notification. Despite adopting Notification dated 03.03.2017 of State Government, the Corporation did not release enhanced amount of gratuity.

3. Mr. Vishal Gupta, Advocate submits that petitioners were not subjected to provisions of Payment of Gratuity Act, 1972 and they were governed by the Instructions issued by the State Government. They got gratuity as per said Instructions, thus, they were entitled to enhanced gratuity as per revised State Government Instructions.

4. Ms. Prerna Malhotra, Advocate, on being confronted with the aforesaid facts, expressed her inability to controvert the same.

5. From the perusal of Minutes of Meeting of the Board of Directors of the Corporation, it is quite lucid that Board approved adoption of maximum limit of Rs. 20 lakh. The Board adopted Notification dated 03.03.2017 of State Government which was applicable with effect from 01.01.2016. The Corporation has adopted Instructions of State Government, thus, it was bound to make payment as per enhanced limit.

6. In the wake of above discussion and findings, the instant petition deserves to be allowed and accordingly allowed. The order dated 23.11.2022 (Annexure P-31) passed by the Corporation is hereby set aside. The respondents are directed to re-calculate gratuity of the petitioners. It is made clear that the petitioners would not be entitled to interest, however, if respondent fails to make payment within two months from today, it would be liable to pay interest @ 10 % per annum from the expiry of said period.

(JAGMOHAN BANSAL)
JUDGE

19.12.2024
paramjit

Whether speaking/reasoned:	Yes	
Whether reportable:	Yes	