



CWP-19399-2025 & connected matters 1

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

**(111) CWP-19399-2025
Date of Decision : July 15, 2025**

**The Management of Shri Sanatan Dharam Sabha, Ambala Cantt.,
through Rakesh Kumar Gupta and another**

.. Petitioners

Versus

**Controlling Authority under the Payment of Gratuity Act and others
.. Respondents**

(114) CWP-19483-2025

**The Management of Shri Sanatan Dharam Sabha, Ambala Cantt.,
through Rakesh Kumar Gupta and another**

.. Petitioners

Versus

**Controlling Authority under the Payment of Gratuity Act and others
.. Respondents**

(117) CWP-19557-2025

**The Management of Shri Sanatan Dharam Sabha, Ambala Cantt.,
through Rakesh Kumar Gupta and another**

.. Petitioners

Versus

**Controlling Authority under the Payment of Gratuity Act and others
.. Respondents**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

**Present: Mr. Harish Mehla, Advocate, for the petitioners
in all petitions.**

HARSIMRAN SINGH SETHI J. (ORAL)

1. By this common order, three writ petitions, the details of which have been given in the heading, are being disposed of as all these petitions involve the same question of law on similar facts.

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2. In the present writ petitions, the challenge is to the orders passed by the authorities envisaged under the Payment of Gratuity Act, 1972 (hereinafter referred as '1972 Act'). The orders passed by the controlling authority as well as the Appellate Authority have been impugned on the ground that the said authority does not have jurisdiction to pass an order qua the benefit of gratuity admissible to employee especially when the employees of the petitioner-institution are governed by the Haryana Aided Schools (Special Pension and Contributory Provident Fund) Rules, 2001.

3. Learned counsel for the petitioners submits that the employees will only be entitled for the benefit admissible to them under the Rules and not under the Act even if, they have a better financial output if they choose the option of the 1972 Act.

4. I have heard learned counsel for the petitioners and have gone through the record with his able assistance.

5. The Payment of Gratuity Act, 1972 is applicable upon all the institutions covered under the definition unless and until an exemption is granted to a particular institution by the appropriate Government from the applicability of 1972 Act. Concededly, the petitioner-institution does not have such an exemption from the applicability of 1972 Act.

6. Further, under Section 4 (5) of the 1972 Act, the option is given to an employee that in case an employee has better option for payment of gratuity under the term or agreement or a contract of employment with the employer, he can avail the better option which means that the discretion to opt for the better option for payment of gratuity is given to the employee

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in case, he has more than one option to avail the gratuity from i.e. either under the 1972 Act or the governing Rules or the agreement between the employer and the employee.

7. That being the provisions of the 1972 Act, the employee can chose the better option for getting the gratuity especially when, the institute is covered under 1972 Act and has not been granted any exemption.

8. The argument of the learned counsel for the petitioners is that the schools are covered by the Haryana School Education Act, 1955 and therefore, they can only give gratuity under the said Rules and not under the 1972 Act.

9. A bare perusal of the Haryana School Education Act, 1955 would show that the same binds only the schools but not the employees working under the said schools. In case, the employees have a better option for receiving gratuity under the Payment of Gratuity Act, 1972, the authorities envisaged under 1972 Act can exercise jurisdiction for the grant of the benefit, which has been done by the impugned order.

10. In the present case, the contention that the gratuity more than the one which prescribed under the Rules have been allowed keeping in view the provisions of 1972 Act, cannot be accepted as, the 1972 Act has been framed for the benefit of an employee and whichever provision is more beneficial to the either under the Rules or the Act, the employee has a right to opt for the same.

11. No ground is made out for any interference by this Court in the facts and circumstances of the present case.



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- 12. Accordingly, the writ petitions are dismissed.
- 13. A photocopy of this order be placed on the file of other connected cases.

July 15, 2025

harsha

(HARSIMRAN SINGH SETHI)

JUDGE

Whether speaking/reasoned : Yes

Whether reportable : No