IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

WEDNESDAY, THE FIFTEENTH DAY OF APRIL
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT APPEAL NO: 404 OF 2026

Writ Appeal under clause 15 of the Letters Patent Preferred Against the Order dated. 09-01-2026, in WP.No. 24325 of 2025. on the file of the High Court.

Between:

The General Manager Personnel, Welfare and CSR, The Singareni Collieries Company Limited, Kothagudem.

...PETITIONER/WRIT PETITIONER

AND

1. Union of India, Represented by Secretary Department of Labour and Employment, Govt of India, New Delhi.
2. The Chief Labour Commissioner, Hyderabad.
3. Appllete Authority under Payment of Gratuity Act 1972, Dy Chief Labour Commissioner Central, NSTI Campus, Vidyanagar, Shivam road, Hyderabad 500 007.
4. Controlling Authority under Payment of Gratuity Act 1972 and Assistant Labour Commissioner Central, Mancherial, at Ramagundam At Qtr No Sp C4 NTPC TTS, Jyothinagar, Ramagundam, Peddapally, DIST- 505215,T .S.
5. Controlling Authority under Payment of Gratuity Act 1972, and Assistant Labour Commissioner Central, Ministry of Labour and Employment Office of the Dy Chief Labour Commissioner Central, NSTI Campus, Vidyanagar, Hyderabad 500 007.

...RESPONDENTS/RESPONDENTS

I.A. NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the order dated: 09.01.2026 passed in WP.No.24325 of 2025.

Counsel for the Appellant: SRI T.RAJINIKANTH REDDY,
ADDL. ADVOCATE GENERAL
Counsel for the Respondents: SRI B.NARASIMHA SHARMA, ADDL. SOLICITOR GENERAL OF INDIA FOR SRI N.BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA

The Court made the following: JUDGMENT

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH

AND

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT APPEAL No.404 of 2026

Dated: 15.04.2026

Between:

The General Manager Personnel,
Welfare and CSR, the Singareni Collieries Company Limited,
Kothagudem.

...Appellant

and

Union of India,
Represented by Secretary Department of Labour and Employment,
Govt. of India, New Delhi,
and 4 others.

...Respondents

JUDGMENT:

Heard Sri T.Rajinikanth Reddy, learned Additional Advocate General, appearing for the appellant and Sri B. Narasimha Sharma, learned Additional Solicitor General of India, representing Sri N.Bhujanga Rao, learned Deputy Solicitor General of India, appearing for the respondents.

2. In the impugned writ petition i.e., W.P.No.24325 of 2025 filed by the appellant, the following prayer was made:

> "For the reasons stated in the accompanying affidavit, it is therefore prayed that this Hon'ble Court may be pleased to issue a Writ, order more particularly one in the nature of Writ of Mandamus declaring the action of Respondents No.4 and 5 in taking up the matter relating to enhancement of gratuity contrary to the gratuity, notified by the Central Government under Section 4(3) of Gratuity Act, as illegal, without jurisdiction, ultra-vires of Section 7(4) Provisions of Gratuity Act, more particularly, under Section 4(3) of Gratuity Act and consequently prohibit the Respondent No.4 and 5 from entertaining applications for enhancement of gratuity beyond the applicable gratuity notified under Gratuity Act, 1972 and consequential reliefs in respect of employees of Petitioner and pass such other order or orders as deemed fit and proper in the interest of justice."

3. No order of the Controlling Authority under the Payment of Gratuity Act (hereinafter referred to as, "the Controlling Authority") allowing enhanced gratuity under the Notification dated 29.03.2018 was under challenge in the writ petition. The learned writ court refused to grant interim relief. Therefore, the present appeal has been filed.

4. On 10.04.2026, during the course of submissions, learned Additional Advocate General appearing for the appellant submitted that interim relief has been granted in other writ petitions where the Controlling Authority had enhanced the gratuity dues on the basis of the Notification dated 29.03.2018 issued by the Ministry of Labour and Employment, Government of India, to those employees who had retired prior to 29.03.2018. It was also submitted that about 1568 applications

have been filed with similar prayer before the Controlling Authority under the Payment of Gratuity Act, 1972 (hereinafter referred to as, "the Act of 1972") by the employees who have retired prior to 29.03.2018, out of which 669 applications have already been disposed of.

5. On the aforesaid submission, the matter was adjourned to enable the learned Additional Advocate General appearing for the appellant to place the interim orders passed in the other writ petitions.

6. By the memo vide USR No.46451 of 2026, number of interim orders passed in different writ petitions have been annexed. However, in those cases, the individual orders of the Controlling Authority enhancing the payable amount of gratuity up to Rs.20.00 lakhs even to those employees who had retired prior to 29.03.2018 were under challenge. Therefore, it appears that the learned writ court being persuaded by the submissions of the writ petitioner granted interim suspension of the impugned orders enhancing the ceiling of gratuity amount to Rs.20.00 lakhs.

7. In the present writ petition, the challenge is not to any individual order of the Controlling Authority, but a writ of mandamus has been sought for declaring the action of respondents No.4 and 5 - Controlling

Authority, in taking up the matter relating to enhancement of gratuity as illegal and without jurisdiction, being *ultra vires* the provisions of Section 7(4) and 4(3) of the Act of 1972. The appellant/writ petitioner – General Manager (Personnel), Welfare & CSR, Singareni Collieries Company Limited, Kothagudem, also sought a consequential prohibition of respondents No.4 and 5 – Controlling Authority, from entertaining applications for enhancement of gratuity beyond the applicable gratuity notified under the Act of 1972 to those employees who had retired prior to 29.03.2018.

8. Learned Additional Solicitor General of India has, on the other hand, pointed out that the statutory authority cannot be prohibited from entertaining the applications seeking enhancement of gratuity amount on the basis of the Notification No.16, dated 29.03.2018, which came into effect from the said date. The decision taken on such applications may be erroneous in fact or in law, but it cannot be said to be without jurisdiction for seeking the relief of writ of prohibition.

9. We understand from the prayer made in the writ petition and upon hearing learned counsel for the parties that the appellant has approached the learned writ court for a writ of mandamus. A consequential prayer for prohibiting respondents No.4 and 5 has been

made from entertaining the applications for enhancement of gratuity beyond the applicable gratuity notified under the Act of 1972. There is no impugned order in favour of the workman in this case. Learned Additional Advocate General appearing for the appellant has also sought to bring to the notice of this court that since the interim relief was denied by the learned writ court, about 300 more applications have been disposed of in favour of the workmen granting them the enhanced gratuity limit.

10. Be that as it may, for the purposes of the present challenge, we are of the opinion that the prayer made in the writ petition is not appropriate. Therefore, the learned writ court refused to grant the interim relief also for the reason that there was no impugned order enhancing the ceiling in favour of any workman in this writ petition.

11. In such circumstances, considering the background of the number of cases being entertained on this issue by the Controlling Authority and in order to give a quietus to the legal question - whether the orders enhancing the gratuity amount to Rs.20.00 lakhs as per the Notification No.16, dated 29.03.2018, in favour of the employees who have retired prior to 29.03.2018 are proper and legally sustainable or not, the matter has to be determined in an expeditious manner. Therefore, we are of the

view that on the one hand there is no need to interfere in the present appeal, but since the main writ petition is pending, liberty is given to the appellant to seek amendment in the main prayer of the writ petition and also make a request to the learned writ court to decide the lead matter expeditiously after hearing the affected parties.

12. Therefore, the writ appeal is disposed of with the aforesaid liberty. The learned writ court is requested to decide the pending writ petition and the other writ petitions where orders enhancing the ceiling limit of gratuity are under challenge by the same writ petitioner in an expeditious manner, however, after notice and hearing the concerned parties. There shall be no order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

SD/- L.LAKSHMI BABU
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

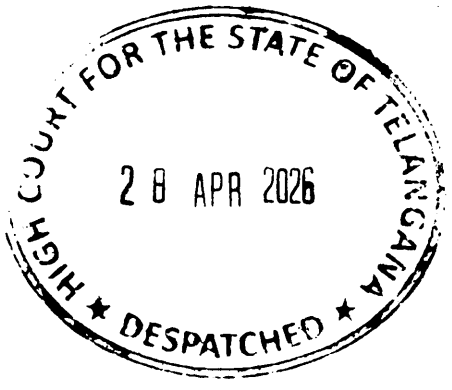
1. The Secretary Department of Labour and Employment, Union of India, Govt of India, New Delhi.
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5. Controlling Authority under Payment of Gratuity Act 1972, and Assistant Labour Commissioner Central, Ministry of Labour and Employment Office of the Dy Chief Labour Commissioner Central, NSTI Campus, Vidyanagar, Hyderabad 500 007.
6. Two CCs to ADDL. ADVOCATE GENERAL, High Court for the State of Telangana, at Hyderabad. [OUT]
7. One CC to SRI N.BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA [OPUC]
8. Two CD Copies

PSK.
TKS

HIGH COURT

DATED: 15/04/2026

JUDGMENT
WA.No.404 of 2026



DISPOSING OF THE WRIT APPEAL
WITHOUT COSTS

(11) AT
22/4/26.