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

237 CWP-16505-2023

Date of Decision: **13.05.2026**

Surinder Pal and another

....Petitioners

VERSUS

Pepsu Road Transport Corporation and another

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present : Mr. Vikas Singh, Sr. Advocate with Ms. Simanpreet Dhawan & Ms. Anamika Sheoran, Advocates for the petitioner.

Mr. Anupam Singla, Advocate for the respondents.

HARPREET SINGH BRAR, J. (Oral)

1. The present writ petition has been filed under Articles 226/227 of the Constitution of India seeking issuance of a writ in the nature of *mandamus* directing the respondents to release the enhanced amount of gratuity to the petitioners on the premise that the ceiling limit of gratuity stood enhanced after 01.01.2006. A further prayer has also been made for issuance of a writ in the nature of *certiorari* for quashing the order dated 01.02.2022 (Annexure P-10) passed by the respondents, whereby the claim of the petitioners for grant of enhanced gratuity has been rejected, being

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illegal, arbitrary and violative of Articles 14 and 21 of the Constitution of India.

PETITIONERS' CONTENTION

2. Learned Senior Counsel for the petitioners, *inter alia*, contends that the father of petitioner No.1 retired from service as Chief Inspector on 28.02.2006 and unfortunately expired on 19.10.2013, whereas the father of petitioner No.2 retired from service as Inspector on 31.03.2006 and subsequently expired in the year 2017. It is contended that the legitimate claim of the petitioners for enhanced gratuity cannot be denied merely on the ground of delay, particularly when the claim pertains to retiral benefits, which give rise to a recurring cause of action.

2.1 Learned Senior Counsel further relies upon the observations made by this Court in COCP-739-2012 and connected matters titled as ***Jagdish Singh and others Versus Sh. Manvesh Singh Sidhu***, decided on 30.05.2012, particularly para 17(iv) thereof, to contend that the retirees who had opted for the Contributory Provident Fund Scheme instead of pension are also entitled to enhanced gratuity at par with those employees who had opted for the pension scheme.

2.2 He further places reliance upon the judgment rendered by this Court in ***CWP-10331-2016*** titled as ***Satpal Singh and others Versus PRTC, Patiala and another***, decided on 25.01.2019 (Annexure P-7), and submits

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that once similarly situated employees have already been granted the benefit of enhanced gratuity, the respondents cannot adopt a discriminatory approach or apply a different yardstick in the case of the present petitioners.

2.3 It is further contended that the petitioners submitted representation dated 06.11.2020 (Annexure P-9), however, the same came to be rejected by the respondent-Corporation vide impugned order dated 01.02.2022 (Annexure P-10). Accordingly, the petitioners claim parity with similarly situated employees who have already been extended the benefit of enhanced gratuity.

RESPONDENTS' CONTENTIONS

3. On the other hand, learned counsel for the respondents-Corporation, while opposing the claim of the petitioners, submits that even in the judgment rendered by this Court in ***Satpal Singh (supra)***, it was specifically observed that *"if any employee approaches now, the Corporation would be within its jurisdiction to raise all objections available to it, including delay and laches in approaching this Court, which shall be considered as and when the need arises."*

3.1 Learned counsel further submits that the employees, whose legal representatives have instituted the present writ petition, admittedly retired from service in the year 2006 and expired in the years 2013 and 2017 respectively. It is argued that the notification dated 18.05.2010 (Annexure

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R-1), issued by the Government of India enhancing the ceiling limit of gratuity by amending Section 4 of the Payment of Gratuity (Amendment) Act, 2010, was made effective prospectively w.e.f. 24.05.2010.

3.2 It is contended that since the employees in question had already retired much prior to the enforcement of the amended provisions, they cannot claim the benefit of enhanced gratuity retrospectively. Learned counsel submits that there is nothing either in the notification or under the statutory scheme to suggest that the amendment was intended to operate retrospectively. Consequently, the petitioners are not entitled to the relief claimed in the present writ petition and the same deserves dismissal.

OBSERVATIONS

4. I have heard learned counsel for the parties and have gone through the paper-book as well as the pleadings on record with their able assistance. The undisputed facts emerging from the record are that the fathers of petitioner No.1 and petitioner No.2 retired from service on 28.02.2006 and 31.03.2006 respectively. The claim raised in the present writ petition pertains to grant of enhanced gratuity on the basis of amendment carried out by the Government of India in Section 4 of the Payment of Gratuity (Amendment) Act, 2010.

4.1 The Government of India issued notification dated 18.05.2010 whereby the ceiling limit of gratuity was enhanced and the same was made

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effective from 24.05.2010. The relevant extract of the notification reads as under:-

"THE PAYMENT OF GRATUITY (AMENDMENT) ACT, 2010
(No. 15 of 2010) [17th May, 2010]

An Act further to amend the Payment of Gratuity Act, 1972.

Be it enacted by Parliament in the Sixty-first Year of the Republic of India as follows:-

1. Short title and commencement.—

(1) This Act may be called the Payment of Gratuity (Amendment) Act, 2010.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. Amendment of Section 4 of Act 39 of 1972.—

In Section 4 of the Payment of Gratuity Act, 1972, in sub-section (3), for the words 'three lakhs and fifty thousand rupees', the words 'ten lakh rupees' shall be substituted."

"(2) In exercise of the powers conferred by sub-Section(2) of Section 1 of the Payment of Gratuity (Amendment) Act, 2010 (15 of 2010), the Central Government hereby appoints the 24th day of May, 2010 as the date on which the provisions of the said Act shall come into force."

4.2 A perusal of the aforesaid notification reveals that although there is no specific expression used therein that the amendment shall apply

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"prospectively", however, the notification itself specifically provides the date from which the amendment would come into force, w.e.f. 24.05.2010. It is a settled proposition of law that unless a statutory amendment is expressly or by necessary implication made retrospective in operation, the same has to be construed as prospective in nature. Once the legislature itself has prescribed a specific date of enforcement, the benefit flowing from such amendment ordinarily cannot be extended to persons who had already retired prior thereto.

4.3 In the present case, admittedly, the fathers of the petitioners had retired from service in the year 2006, much prior to the enforcement of the amended provisions. Therefore, the petitioners cannot claim applicability of the enhanced ceiling limit retrospectively in the absence of any express statutory provision to that effect.

4.4 So far as the contention raised on behalf of the petitioners on the basis of alleged grant of similar benefit to certain other employees is concerned, the same cannot advance the case of the petitioners. It is trite law that Article 14 of the Constitution of India does not envisage negative equality and merely because any benefit may have been extended in some other case, the same would not confer a vested right upon the petitioners to claim identical relief contrary to the statutory provisions governing the field.

4.5 Further, the issue raised before this Court is not with regard to examining the validity of the amendment or its constitutional implication,

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but rather its applicability to employees who admittedly stood retired prior to the date on which the amendment came into force. In the absence of any challenge to the validity of the notification or any statutory provision conferring retrospective effect, no direction, as sought for by the petitioners, can be issued by this Court in exercise of its writ jurisdiction under Articles 226/227 of the Constitution of India.

4.6 Further, it is a settled canon of statutory interpretation that every statutory amendment is presumed to operate prospectively unless the legislature, either expressly or by necessary implication, indicates a contrary intention. The presumption against retrospective operation becomes more stringent where the amendment affects vested or substantive rights, creates new obligations, imposes additional liabilities, or attaches fresh disabilities in respect of past and concluded transactions.

4.7 It is equally well settled that in the absence of clear, unambiguous and explicit legislative intent, an amendment cannot ordinarily be construed retrospectively so as to divest accrued rights, disturb settled positions, or defeat legitimate expectations already crystallized in favour of the affected parties. Courts have consistently held that unless a retrospective operation is expressly provided or necessarily implied from the scheme and object of the enactment, statutory provisions affecting substantive rights must receive prospective application so as to preserve certainty, fairness and stability in law.

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4.8 Reference can also be made to the judgement rendered by two Judge Bench of the Hon'ble Supreme Court in ***Krishna Gopal Tiwary v. Union of India 2021 INSC 401***, regarding the prospective applicability of the amendment in the gratuity act, enhancing the amount of gratuity, where in it has been conclusively held that payment of gratuity is a one time measure payable at the time of retirement and any amendment enhancing the amount of gratuity would be prospective.

5. Consequently, finding no merit in the present writ petition, the same is hereby dismissed.

6. Pending miscellaneous application(s), if any, shall also stand disposed of.

(HARPREET SINGH BRAR)
JUDGE

13.05.2026
Puneet Chawla

Whether speaking/reasoned. : Yes/No
Whether Reportable. : Yes/No