

**IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NO(S). 9296 OF 2013**

**CHIEF REGIONAL MANAGER  
THE NEW INDIA ASSURANCE CO. LTD.                      Appellant(s)**

**VERSUS**

**SUSHIL KUMAR VIG & ORS.    Respondent(s)**

**ORDER**

The Respondents No.1-3 were employed as 'Development Officers' with the Appellant-Insurance Company. In the year 2003, the Central Government amended the '*General Insurance (Rationalization of Pay Scales & Other Conditions of Service for Development Officer) Scheme, 1976*' whereby, *inter alia*, a Special Voluntary Retirement Package [**"SVRP, 2003"**] was offered to the employees. The said Amendment Scheme, 2003 also stipulated a change in cost control measures vis-à-vis payment of non-core benefits to the development officers. The Respondent-Employees are those who have opted for voluntary retirement under the SVRP, 2003.

The said Amendment Scheme, 2003 was challenged before various High Courts and subsequently before this Court between the years 2003-2008. During this period of litigation, the implementation of the Amendment Scheme, in toto, was kept in abeyance and the Respondent-Employees continued in service of the Appellant-Insurance Company.

On 03.04.2008, vide the judgment in ***National Insurance Co. Ltd. v. General Insurance Development Officers Assn.***, reported in **(2008) 5 SCC 472**, this Court finally upheld the validity of the Amendment Scheme, 2003. Consequently, on 11.04.2008, the Respondent-Employees and other similarly situated persons were relieved from the services of the Appellant-Insurance Company, upon acceptance of their option for voluntary retirement.

However, vide letter dated 21.05.2009, the Appellant-Insurance Company conveyed its decision that all those who have opted for the SVRP, 2003 would not be entitled to 'non-core benefits' from 01.04.2003 till the date of their reliving. The non-core benefits already

paid to them were sought to be recovered from their retiral benefits.

The Respondent-Employees have assailed the decision of Appellant-Insurance Company contained in the letter dated 21.05.2009 before the High Court of Punjab & Haryana. Before the High Court, the Respondent-Employees contended, *inter alia*, that in a similar case in ***Mohanish Manik & Ors v. New India Assurance Company & Ors*** [CWP No. 14280 of 2009] vide Judgment dated 13.01.2010, the High Court had quashed the order for recovery of non-core benefits.

The Appellant-Insurance Company, before the High Court, has stated that the non-core benefits are payable only in terms of the Amendment Scheme, 2003 under which the respondents had applied for voluntary retirement.

The learned Single Judge, appreciating the issues, quashed the order of recovery. The Appellant, being aggrieved, preferred a Letters Patent Appeal before the Division Bench of the High Court which came to be dismissed vide order dated 08.08.2011. It is this order

which is assailed in the present appeal.

After hearing Sh. Jaideep Gupta, learned senior counsel appearing for the Appellant and Mr. Akshat Shrivastava, learned Amicus Curiae appointed by this Court, we find that at present, it is not in dispute that the Respondent-Employees have taken retirement under the Amendment Scheme, 2003. However, looking to the peculiar facts and circumstances of the case and in the interests of justice, we are not inclined to interfere with the order setting aside the order directing recovery.

The Amendment Scheme, 2003 under which the voluntary retirement has been accepted prescribes how cost control and the payment of non-core benefits can be allowed. The said scheme has been upheld by this Court in the case of ***National Insurance Co. Ltd. v. General Insurance Development Officers Assn., (supra)***. Therefore, we observe that the ratio of the said Judgment would prevail.

In view of the foregoing observations, the appeal is disposed of.

We acknowledge and record our appreciation for the assistance provided by Mr. Akshat Shrivastava, learned Amicus Curiae in assisting the Court in a long-drawn litigation.

Pending interlocutory application(s), if any, is/are disposed of.

.....**J.**  
**[ J. K. MAHESHWARI ]**

.....**J.**  
**[ K. V. VISWANATHAN ]**

**New Delhi;**  
**NOVEMBER 29, 2023.**

ITEM NO.114

COURT NO.11

SECTION IV

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Civil Appeal No(s). 9296/2013

CHIEF REGIONAL MANAGER  
THE NEW INDIA ASSURANCE CO. LTD.

Appellant(s)

VERSUS

SUSHIL KUMAR VIG &amp; ORS.

Respondent(s)

(IA No. 2/2012 - STAY APPLICATION)

Date : 29-11-2023 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE J.K. MAHESHWARI  
HON'BLE MR. JUSTICE K.V. VISWANATHAN

For Appellant(s) Mr. Jaideep Gupta, Sr. Adv.  
Mr. Rudreshwar Singh, Adv.  
Mr. Dinesh Mathur, Adv.  
Mr. Kaushik Poddar, AOR

For Respondent(s) Mr. Akshat Shrivastava, AOR (Amicus Curiae)

UPON hearing the counsel the Court made the following  
O R D E R

The civil appeal is disposed of in terms of the signed order.

Pending interlocutory application(s), if any, is/are disposed of.

(JAYANT KUMAR ARORA)  
ASTT. REGISTRAR-cum-PS

(VIRENDER SINGH)  
BRANCH OFFICER

(Signed order is placed on the file)