

2026 LiveLaw (SC) 364

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
VIKRAM NATH; J., SANDEEP MEHTA; J.
SPECIAL LEAVE PETITION (C.)NO. 20915 OF 2024; March 17, 2026
JALIM SINGH *versus* NAND KISHORE & ORS.**

Contempt Jurisdiction – Scope of Inquiry – Re-adjudication Prohibited – Held that exercising contempt jurisdiction, the Court must confine its inquiry to the compliance of the operative directions contained in the original order - The jurisdiction is limited to examining compliance and does not extend to the re-adjudication of issues that have already attained finality between the parties – Noted that the High Court, in its earlier order dated 1st March 2019, unequivocally directed the respondent-Bank to pay the appellant arrears of salary and post-retiral benefits for the post of Cooperative Supervisor or an equivalent post, regardless of whether the post formally existed or whether the appellant possessed Intermediate qualifications - This order attained finality as it was not assailed by the Bank.

Impugned Order Erroneous – In the subsequent contempt proceedings, the High Court erred by expanding the scope of inquiry to re-examine the appellant’s eligibility for Class-III posts and his lack of Intermediate qualifications - Such re-examination was impermissible as it effectively reopened issues concluded by the final order of 1st March 2019 - The Supreme Court set aside the High Court’s judgment dismissing the contempt petition - Supreme Court directed the respondent-Bank to pay the appellant gratuity of ₹2,28,000/- with 8% interest per annum from the date of retirement (31st October 2009) - awarded ₹1,00,000/- as compensation to the appellant for the prolonged and unnecessary litigation forced by the Bank. [Paras 10-17]

[Arising out of impugned final judgment and order dated 07-05-2024 in CAC No. 1975/2019 passed by the High Court of Judicature at Allahabad]

For Petitioner(s): Mr. Raghavendra S. Srivatsa, Sr. Adv. Ms. Komal Mundhra, AOR Mr. Hari Vishnu Tiwari, Adv. Mr. Ashutosh Singh Rana, Adv. Ms. Laxita Upadhyay, Adv.

For Respondent(s): Mr. Anurag Singh, Adv. Mr. Rajiv Kumar, Adv. Ms. Neelakshi, Adv. Mr. Anil Kumar Mishra, AOR Mrs. Rachna Gupta, AOR Ms. Shradha Narayan, Adv. Mr. Anil Kumar Sinha, Adv.

ORDER

1. Leave granted.
2. Heard Shri Raghavendra S. Srivatsa, learned counsel for the appellant and Shri Anurag Singh, learned counsel for the respondent.
3. The present appeal is directed against the final judgment dated 7th May, 2024, passed by the High Court of Judicature at Allahabad¹ in Contempt Application (Civil) No. 1975 of 2019, whereby the High Court dismissed the contempt petition filed by the appellant herein.
4. The facts necessary for the disposal of the present appeal are set out hereinbelow:-
 - 4.1. The appellant was appointed as Cooperative Supervisor in the respondent-Bank in 1971. He was suspended on 24th January, 1977 and reinstated in service in July, 1991.

¹ Hereinafter, referred to as “High Court”.

During the intervening period, he filed Civil Miscellaneous Writ Petition No. 4931 of 1992 before the High Court seeking full salary and emoluments for the suspension period with revisions. The High Court, by its judgment dated 17th January, 2006, allowed the petition and held that the appellant was entitled to entire salary for the suspension period as revised from time to time. The said judgment has attained finality after dismissal of the respondent-Bank's Special Leave Petition by this Court.

4.2. In the meantime, the appellant retired from service on 31st October, 2009 on attaining the age of superannuation.

4.3. As the respondent-Bank refused to release the retiral benefits, the appellant filed Contempt Petition No. 3594 of 2018 before the High Court. During its pendency, the Bank *vide* order dated 10th July, 2018 rejected the appellant's representation for remaining pay and retiral benefits on the ground that there was no substantive post of Cooperative Supervisor in the Bank and the appellant had never been absorbed in any Class-III post. The High Court, by order dated 19th July, 2018, directed the appellant to file a fresh representation enclosing a certified copy of its order. Pursuant thereto, the appellant submitted a fresh representation before the respondent-Bank for consideration of his claims.

4.4. The appellant's fresh representation having been rejected by the respondent-Bank *vide* order dated 10th July, 2018, he filed Civil Miscellaneous Writ Petition No. 18568 of 2018 before the High Court.

4.5. The High Court *vide* order dated 21st January, 2019, allowed the writ petition and set aside the order dated 10th July, 2018, whereby the respondent-Bank had rejected the earlier representation of the appellant. The High Court also directed the respondent-Bank to calculate the retirement dues of the appellant, treating him to be absorbed in Class-III post w.e.f. 16th August, 1991, i.e. the date of appellant's retirement.

4.6. The respondent-Bank preferred an intra-Court appeal² against the said order. The High Court, *vide* order dated 1st March, 2019, partly allowed the appeal and directed the Bank to pay arrears of salary and emoluments to the appellant.

4.7. Aggrieved by the non-compliance of the said direction, the appellant filed Contempt Application (Civil) No. 1975 of 2019. The High Court, however, *vide* judgment dated 7th May, 2024, dismissed the contempt petition.

5. Aggrieved thereby, the appellant is before this Court.

6. At the outset, we are unable to agree with the approach adopted by the High Court in dismissing the contempt petition. The High Court has proceeded on the premise that the Appellate Court had recorded a finding that the services of the appellant were neither regularised in the Provincial Cooperative Union nor was he ever absorbed in a Class-III post. The High Court further held that the appellant did not possess the requisite qualification of Intermediate from a recognised Board, which was essential for holding a Class-III post, and therefore, he was not entitled to claim gratuity or insurance benefits. It was also observed that since no contribution towards such benefits had been deducted by the respondent-Bank, no liability could be fastened upon it to make such payments.

7. The order dated 1st March, 2019, which forms the basis of the contempt proceedings, though partly allowing the intra-Court appeal preferred by the respondent-

² Special Appeal Defective No. 207 of 2019.

Bank, issued a specific direction requiring the respondent-Bank to pay to the appellant all arrears of salary and emoluments due up to the date of his retirement, along with all consequential postretiral benefits. Being relevant for the present purpose, the operative portion of the said order is reproduced hereinbelow: -

“The U.P. Co-operative Societies Employees Service Regulations, 1975 vide Regulation 27(5) clearly provides that only employees who have passed Intermediate examination of the Board of High School and Intermediate Education or any other examination recognized by the State Government as equivalent thereto shall be considered for promotion in Category-III. In other words, for a Class-III post Intermediate is a mandatory qualification. The respondent No. 1 does not possess the qualification of Intermediate. Therefore, despite everything including equity in his favour he could not have been directed to be treated as a Class-III employee. Nonetheless as the respondent No. 1 was appointed as Cooperative Supervisor in 1971 and had continued as such till his retirement on 31.10.2009 he is entitled to his salary with other emoluments and post-retiral dues/benefits admissible to the said post.

In view of the aforesaid facts and circumstances, the appeal is partly allowed and it is provided that the appellant shall pay to the respondent No. 1 his arrears of salary and other emoluments due to him till his retirement and all postretirement dues/benefits of the post of Cooperative Supervisor or of a post equivalent to it, without going into any controversy whether the said post was in existence or not as the respondent No. 1 had worked on it from 1971 to 2009 within a period of one month from today.

...

Before closing, we would like to observe that the appellant had unnecessarily involved itself into prolonged litigation with the respondent No. 1 forcing him not only to file three writ petitions and a contempt petition but compelling the appellant also to file two review application, two special appeals and a special leave petition before the Supreme Court but without any success. The present appeal being the third special appeal by the appellant-bank. All this litigation could have been avoided if the appellant-bank would have taken the orders of the High Court with some seriousness and may not have entered into litigation only for the sake of litigation. The conduct of the appellant-bank and its officers in this regard is highly deprecated by us and we would like that the Chairman of the District Cooperative Bank Ltd., Jhansi may give a thought to this so that in future this type of unnecessary litigation may be easily avoided burdening the Court for no good.”

8. It is pertinent to note that the High Court, while modifying the order of the Single Judge, issued a clear and unequivocal direction to the respondent-Bank to pay to the appellant the arrears of salary and other emoluments due up to the date of his retirement, together with all post-retiral dues and benefits admissible to the post of Cooperative Supervisor.

9. The High Court also took note of the conduct of the respondent-Bank in persistently engaging in litigation and adopting a course of action that effectively deprived the appellant of the fruits of the judgment rendered in his favour.

10. Furthermore, when the appellant invoked the contempt jurisdiction of the High Court, the Court ought to have confined its inquiry to the compliance of the operative directions contained in the order dated 1st March, 2019. The said order had unequivocally directed the respondent-Bank to pay to the appellant the arrears of salary and other emoluments due up to the date of his retirement, along with all post-retiral dues and benefits attached to the post of Cooperative Supervisor or an equivalent post.

11. The High Court had also expressly directed that such compliance be effected within a period of one month, without reopening any ancillary issues, including the question

whether such a post formally existed or that the appellant had not discharged duties on the said post from 1971 till his retirement in 2009.

12. It is thus evident that the High Court, in the order dated 1st March, 2019, had clearly proceeded on the footing that the appellant was entitled to be treated as continuing in service for the limited purpose of computation of service and retiral benefits. Admittedly, the said order has not been assailed by the respondent-Bank and has, therefore, attained finality *inter partes*.

13. In such circumstances, it was impermissible for the High Court, while exercising its contempt jurisdiction, to expand the scope of inquiry by re-examining issues relating to regularisation or absorption of the appellant in a Class-III post. The jurisdiction in contempt proceedings is confined to examining compliance with the directions issued and does not extend to re-adjudication of issues which stand concluded.

14. The High Court, therefore, fell in error in entering into such questions, instead of enforcing its own directions requiring the respondent-Bank to pay the arrears of salary and emoluments due to the appellant up to the date of his retirement, together with all post-retiral dues and benefits attached to the post of Cooperative Supervisor or an equivalent post.

15. In view of the foregoing discussion, the impugned judgment dated 7th May, 2024, passed by the High Court of Judicature at Allahabad in Contempt Application (Civil) No.1975 of 2019 is set aside.

16. Consequently, the present appeal is allowed.

17. Accordingly, we issue the following directions: -

i. The appellant shall be entitled to gratuity in the sum of ₹2,28,000/-, which became payable upon his retirement on 31st October, 2009. The said amount shall carry interest at the rate of 8% per annum from 1st November, 2009 till the date of actual payment. The respondent-Bank shall ensure payment of the aforesaid amount within a period of two months from today. In the event of default, the amount shall thereafter carry interest at the rate of 18% per annum from the date of this order till it is paid.

ii. Having regard to the facts and circumstances of the case, we deem it appropriate to award a sum of ₹1,00,000/- to the appellant towards compensation for the prolonged and unnecessary litigation undertaken by the respondent-Bank. The said amount shall also be paid within a period of two months from today, failing which it shall carry interest at the rate of 18% per annum from the date of this order till its payment.

18. Pending application(s), if any, shall stand disposed of.