



CWP-5783 of 2002 and connected cases

1

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

205

Date of decision: 23.01.2025

CWP-5783-2002 (O&M)

Rawail Singh vs. State of Punjab and others

CWP-201-2004 (O&M)

Usha Kapila and others vs. State of Punjab and others

CWP-3354-2008 (O&M)

Ram Singh vs. State of Punjab and others

CWP-3966-2006 (O&M)

Rajinder Kaur vs. State of Punjab and others

CWP-9591-2005 (O&M)

Smt. Surjit Anand vs. State of Punjab and others

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present: Mr. RK Arora, Advocate and
Mr. Inayat Khullar, Advocate
for the petitioners.

Mr. Sehajbir Singh Aulakh, AAG, Punjab.

AMAN CHAUDHARY, J. (Oral)

1. These cases involve similar issues and therefore, are being disposed of together.
2. Challenge in the present petitions is to the order whereby benefit of pay fixation was withdrawn and recovery was ordered, which was stayed by the Division Bench vide orders dated 27.05.2003 in CWP-5783-2002, 08.01.2004 in CWP-201-2004, 15.06.2005 in CWP-9591-2005.
3. Learned counsel, on instructions from the petitioners, who were working on Class-III posts, restricts their prayer to only recovery to be not effected in wake of fact that there was neither any mis-representation nor



CWP-5783 of 2002 and connected cases

2

fraud and in pursuance of the judgment in **Rewail Singh etc. vs. State of Punjab**, CWP-17005-1989, decided on 01.03.1995 that the pay fixation had been carried out.

4. Learned counsel relies on the policy/instructions dated 20.01.2017, wherein it has been provided that recovery of excess amount paid to Class-III and Class-IV employee, may not be made as also held in **Krishan Kumar Singla vs. State of Punjab and Others**, CWP-11341-2003, decided on 20.09.2010, SLP against which was dismissed on 05.12.2014, the relevant paras whereof read thus:

“5. The following needs to be extracted from Budh Ram's case (supra), for consideration of the issue raised in this petition :

"It is in the light of the above pronouncement. no longer open to the authorities granting the benefits, no matter erroneously, to contend that even when the employee concerned was not at fault and was not in any way responsible for the mistake committed by the authorities they are entitled to recover the benefit that has been received by the employee on the basis of any such erroneous grant. We say so primarily because if the employee is not responsible for the erroneous grant of benefit to him/her, it would induce in him the belief that the same was indeed due and payable. Acting on that belief the employee would, as any other person placed in his position arrange his affairs accordingly which he may not have done if he had known that the benefit being granted to him is likely to be withdrawn at any subsequent point of time on what may be then said to be the correct interpretation and application of rules. Having induced that belief in the employee and made him change his position and arrange his affairs in a manner that he would not otherwise have done, it would be unfair, inequitable and harsh for the Government to direct recovery of the excess amount simply because on a true and correct interpretation of the rules, such a benefit was not due. It does not require much imagination to say that additional monetary benefits going to an employee may not always result in accumulation of his



resources and savings. Such a benefit may often be utilized on smaller luxuries of life which the employee and his family may not have been able to afford had the benefit not been extended to him. The employees can well argue that if it was known to them that the additional benefit is only temporary and would be recovered back from them, they would not have committed themselves to any additional expenditure in their daily affairs and would have cut their coat according to their cloth. We have, therefore, no hesitation in holding that in case the employees who are recipient of the benefits extended to them on an erroneous interpretation or application of any rule, regulation, circular and instructions have not in any way contributed to such erroneous interpretation nor have they committed any fraud, misrepresentation, deception to obtain the grant of such benefit, the benefit so extended may be stopped for the future, but the amount already paid to the employees cannot be recovered from them."

6. In view of the above, this petition is allowed in terms of *Budh Ram & Others vs. State of Haryana & Others* (Civil Writ Petition No.2799 of 2008, decided on 22.5.2009) reported as 2009(3) PLR 511. Accordingly, it is directed that respondents would have no right to effect recovery from the petitioner. In the meantime, in the interregnum period if any recovery has been effected, the amount shall be refunded to the petitioner within four months of receipt of a certified copy of this order. The action of the respondents in regard refixation of pay, however, is maintained."

5. A gainful reference can be made to the judgment in **Thomas Daniel vs. State of Kerala**¹, wherein by relying on **Sahib Ram vs. State of Haryana**² and **State of Punjab vs. Rafiq Masih**³, Hon'ble the Supreme Court held that generally, the recovery of amounts paid in excess are impermissible to be affected.

¹ 2022 SCC OnLine SC 536

² 1995 Supp (1) SCC 18

³ (2015) 4 SCC 334



CWP-5783 of 2002 and connected cases

4

6. Learned State counsel despite best efforts has been unable to controvert the factual position and draw out any distinctive aspects in the aforementioned judgments or cite any contrary law.

7. In view of the aforesaid, the present petitions are disposed of in terms of the judgment passed in **Krishan Kumar Singla** (supra).

8. Photocopy of this order be placed on the connected files.

(AMAN CHAUDHARY)
JUDGE

23.01.2025
ashok

Whether speaking/reasoned : Yes / No
Whether reportable : Yes / No