

IN THE HIGH COURT OF PUNJAB & HARYANA, CHANDIGARH

Civil Writ Petition No.13377 of 2010

Date of Decision: July 30, 2010

Sohan Lal & Another

.....PETITIONER(S)

VERSUS

State of Punjab & Others

.....RESPONDENT(S)

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CORAM: HON'BLE MR. JUSTICE AJAI LAMBA

PRESENT: - Mr. R.K. Arora, Advocate, for the
petitioners.

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AJAI LAMBA, J (Oral)

1. This civil writ petition has been filed under Article 226/227 of the Constitution of India, praying for issuance of a writ in the nature of certiorari, quashing the action of the respondents to the extent it directs recovery from the petitioners.

2. Learned counsel for the petitioners contends that the issue raised in this petition has been considered by Full Bench of this Court while dealing with Budh Ram and others v. State of Haryana and others, 2009(3) PLR 511.

3. Learned counsel for the petitioners further states that the petitioners would be satis-

fied if the petition is disposed of in terms of decision of this court rendered in *CWP 697 of 2010 (Kaur Chand v. State of Punjab and others)*, decided on 2.3.2010.

4. Notice of motion.

5. On the asking of the Court, Shri B.S. Chahal, Deputy Advocate General, Punjab, accepts notice on behalf of the respondents.

6. Requisite number of copies of the petition have been handed over to learned counsel for the respondents.

7. Learned counsel for the parties pray that the matter be disposed of at this stage itself, in view of peculiar facts and circumstances of the case.

8. Learned counsel for the petitioners has argued that the petitioners did not play any fraud and did not misrepresent any fact so as to take undue advantage/monetary benefits from the respondents. In such circumstances, the case is squarely covered by the judgment rendered in *Budh Ram's case (supra)* and, therefore, the matter be decided accordingly.

9. Learned counsel for the respondent-State contends that the respondents have not been able to verify whether the petitioners have played fraud or not and, therefore, the facts need to be verified. Learned counsel for the respondent-State, however, states that the matter be disposed of in terms of judgment rendered in *Kaur Chand's case (supra)*.

10. I have considered the issue.

11. 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.”

12. Relying on *Budh Ram's case (supra)*, this Court in *Kaur Chand's case (supra)*, has held in the following terms:-

“(6). Following the dictum in Budh Ram's case (supra), the writ petition is allowed in part; the action of the respondents in ordering recovery of the excess payments received by the petitioner as a result of Stepping-up of his pay or grant of ACP is hereby quashed. However, the impugned order(s) to the extent of re-fixation of his pay and consequential re-determination of the retiral benefits are upheld. The recovery, if any, already made from the petitioner shall be refunded to him within a period of four months from the date of receipt of certified copy of this order.

(7). Since the respondents have not filed any counter-reply/affidavit, it shall be open to them to verify the records and if it is found that the petitioner had actually misrepresented the facts and/order played fraud etc. to gain the monetary benefits, to seek review of this order within a period of six months from the date of receipt of a certified copy of this order.”

13. In view of the common prayer of learned counsel for the parties, the petition is allowed in limited terms, in terms of the judgment dated 2.3.2010 rendered in *CWP 697 of 2010 (Kaur Chand v. State of Punjab and others)*, portion whereof has been extracted above.

July 30, 2010
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(AJAI LAMBA)
JUDGE

1. To be referred to the Reporters or not?
2. Whether the judgment should be reported in the Digest?