

**BEFORE THE UTTARAKHAND PUBLIC SERVICES TRIBUNAL
BENCH AT NAINITAL**

Present: Hon'ble Mr. Justice U.C. Dhyani

----- Chairman

Hon'ble Mr. Capt. Alok Shekhar Tiwari

----- Member (A)

CLAIM PETITION NO. 09/NB/DB/2022

Sri Girish Chandra Joshi, aged about 62 years, s/o Sro Devi Dutt Joshi, r/o Devi Cottage Ayarpata, Mallital, Nainital, District Nainital.

.....Petitioner

versus

1. State of Uttarakhand through Secretary, Rural Works Department, Government of Uttarakhand, Dehradun.
2. Chief Engineer Level-1/ Head of Department, Rural Works Department, Uttarakhand, Dehradun.
3. Chief Engineer Level-2, Rural Works Department, Kumaon Division, Bhimtal, District Nainital.
4. Superintending Engineer, Rural Works Department, Kumaon Circle, Nainital.
5. Director, Lekha Evem Haqdari, Uttarakhand, 23, Laxmi Road, Dalanwala, Dehradun.

..... Respondents

Present: Sri Bhagwat Mehra, Advocate, for the Petitioner
Sri Kishore Kumar, A.P.O., for the Respondents

JUDGEMENT

Dated: 23rd October, 2024

Justice U.C. Dhyani (Oral)

By means of present claim petition, petitioner seeks following reliefs:

"A. To set aside the impugned order dated 02-09-2020 issued by the Respondent No. 5 (Annexure No. 1 to Compilation-I), in so far as it relates to withholding/recovery of amount of Rs. 1,54,933/- from the Gratuity of the petitioner.

B. To set aside the impugned letter dated 17-06-2020 and pay re-fixation order dated 15-07-2020 issued by the Respondent No. 2 and 3 respectively (Annexure No. 2 and 3 to the Compilation-I).

C. To declare the action of the Respondents in revising the Pay Fixation and making the recovery from the Gratuity of the petitioner, as arbitrary and illegal.

D. To direct the Respondents, particularly Respondent No. 2 to forthwith release the recovered amount from the Gratuity of the petitioner, alongwith the interest at a rate to be specified by this Hon'ble Tribunal.

E. To direct the Respondents, particularly Respondent No. 2 to grant all consequential benefits to the petitioner.

F. To pass any other suitable order as this Hon'ble Tribunal may deem fit and proper in the circumstances of the case.

G. Award the cost of the Claim petition in favour of the petitioner."

2. Petitioner has filed affidavit in support of his claim petition. Relevant documents have been filed along with the claim petition.

3. Claim Petition has been contested on behalf of the respondents. Sri Prem Singh Brijwal, Superintending Engineer, Rural Works Department, has filed counter affidavit on behalf of respondents no. 1 to 4 along with relevant documents.

4. Sri Dinesh Kumar Rana, Chief Treasury Officer, Nainital, has filed separate counter affidavit on behalf of respondent no. 5.

5. In the counter affidavit filed on behalf of respondent no. 5, it has been stated that recovery order and pay re-fixation order have been issued by Rural Works Department and Treasury has issued orders only on the basis of orders thus issued by Rural Works Department.

6. Sri Bhagwat Mehra, learned Counsel for the petitioner, submitted that the controversy in hand has already been settled by the Tribunal on 08.08.2024, on the basis of decision rendered by

Hon'ble Apex Court in State of Punjab vs. Rafiq Masih, (2015) 4 SCC 334, in claim petition no. 98/NB/SB/2022, Smt. Archana Shukla vs. State of Uttarakhand and others, therefore, present claim petition should be disposed of in terms of said decision, to avoid repetition and for the sake of brevity and convenience.

7. Relevant paragraphs of the judgements thus rendered by the Tribunal on 08.08.2024 are reproduced herein below for convenience:

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12. In so far as the above issue is concerned, it is necessary to keep in mind that a reference, in a similar matter, was made by the Division Bench of two Judges of Hon'ble Supreme Court in Rakesh Kumar vs. State of Haryana, (2014) 8 SCC 892, for consideration by larger Bench. The reference was found unnecessary and was sent back to the Division Bench of Hon'ble Apex Court for appropriate disposal, by the Bench of three Judges [State of Punjab vs. Rafiq Masih, (2014) 8SCC 883]. The reference, (which was made) for consideration by a larger Bench was made in view of an apparently different view expressed, on the one hand, in Shyam Babu vs. Union of India, (1994) 2SCC 521; Sahib Ram vs. State of Haryana, (1995) (Suppl) 1 SCC 18 and on the other hand in Chandi Prasad Uniyal vs. State of Uttarakhand, (2012) 8 SCC 417, in which the following was observed:

“14. We are concerned with the excess payment of public money which is often described as “tax payers money” which belongs neither to the officers who have effected over-payment nor that of the recipients. We fail to see why the concept of fraud or misrepresentation is being brought in such situations. Question to be asked is whether excess money has been paid or not may be due to a bona fide mistake. Possibly, effecting excess payment of public money by Government officers, may be due to various reasons like negligence, carelessness, collusion, favouritism etc. because money in such situation does not belong to the payer or the payee. Situations may also arise where both the payer and the payee are at fault, then the mistake is mutual. Payments are being effected in many situations without any authority of law and payments have been received by the recipients also without any authority of law. Any amount paid/received without authority of law can always be recovered barring few exceptions of extreme hardships but not as a matter of right, in such situations law implies an obligation on the payee to repay the money, otherwise it would amount to unjust enrichment.”

12.1 It may be noted here that the petitioners Chandi Prasad Uniyal and others were serving as Teachers, they approached Hon'ble High Court and then Hon'ble Supreme Court against recovery of overpayment due to wrong fixation of 5th and 6th Pay Scales of Teachers/ Principals, based on the 5 th Pay Commission Report. Here also the petitioner is a retired Teacher.

13. In the context noted above, Hon'ble Apex Court in Paragraphs 6, 7 & 8 of the decision rendered in State of Punjab vs. Rafiq Masih, (2015) 4 SCC 334, has observed thus:

“6. In view of the conclusions extracted hereinabove, it will be our endeavour, to lay down the parameters of fact situations, wherein employees, who are beneficiaries of wrongful monetary gains at the hands of the employer, may not be compelled to refund the same. In our considered view, the instant benefit cannot extend to an employee merely on account of the fact, that he was not an accessory to the mistake committed by the employer; or merely because the employee did not furnish any factually incorrect information, on the basis whereof the employer committed the mistake of paying the employee more than what was rightfully due to him; or for that matter, merely because the excessive payment was made to the employee, in absence of any fraud or misrepresentation at the behest of the employee.

7. Having examined a number of judgments rendered by this Court, we are of the view, that orders passed by the employer seeking recovery of monetary benefits wrongly extended to the employees, can only be interfered with, in cases where such recovery would result in a hardship of a nature, which would far outweigh, the equitable balance of the employer's right to recover. In other words, interference would be called for, only in such cases where, it would be iniquitous to recover the payment made. In order to ascertain the parameters of the above consideration, and the test to be applied, reference needs to be made to situations when this Court exempted employees from such recovery, even in exercise of its jurisdiction under Article 142 of the Constitution of India. Repeated exercise of such power, "for doing complete justice in any cause" would establish that the recovery being effected was iniquitous, and therefore, arbitrary. And accordingly, the interference at the hands of this Court.

8. As between two parties, if a determination is rendered in favour of the party, which is the weaker of the two, without any serious detriment to the other (which is truly a welfare State), the issue resolved would be in consonance with the concept of justice, which is assured to the citizens of India, even in the Preamble of the Constitution of India. The right to recover being pursued by the employer, will have to be compared, with the effect of the recovery on the employee concerned. If the effect of the recovery from the employee concerned would be, more unfair, more wrongful, more improper, and more unwarranted, than the corresponding right of the employer to recover the amount, then it would be iniquitous and arbitrary, to effect the recovery. In such a situation, the employee's right would outbalance, and therefore eclipse, the right of the employer to recover.”

14. Based on the decision, rendered by Hon'ble Apex Court in Syed Abdul Qadir vs. State of Bihar, (2009) 3 SCC 475 and hosts of other decisions, which were cited therein including B.J. Akkara vs. Union of India, (2006) 11 SCC 709, the Hon'ble Apex Court concluded thus:

“18. It is not possible to postulate all situations of hardship, which would govern employees on the issue of recovery, where payments have mistakenly been made by the employer, in excess of their entitlement. Be that as it may, based on the decisions referred to herein above, we may, as a ready reference, summarise the following few situations, wherein recoveries by the employers, would be impermissible in law:

(i) Recovery from employees belonging to Class-III and Class-IV service (or Group 'C' and Group 'D' service).

(ii) Recovery from retired employees, or employees who are due to retire within one year, of the order of recovery.

(iii) Recovery from employees, when the excess payment has been made for a period in excess of five years, before the order of recovery is issued.

(iv) Recovery in cases where an employee has wrongfully been required to discharge duties of a higher post, and has been paid accordingly, even though he should have rightfully been required to work against an inferior post.

(v) In any other case, where the Court arrives at the conclusion, that recovery if made from the employee, would be iniquitous or harsh or arbitrary to such an extent, as would far outweigh the equitable balance of the employer's right to recover."

15. Petitioner's case is squarely covered by the decision of Hon'ble Apex Court. Recovery made from her is iniquitous or harsh to such an extent that it would far outweigh the equitable balance of employees' right to recover.

16. Reference may also be had to the decisions rendered by the Hon'ble Apex Court on 02.05.2022 in Civil Appeal No. 7115 of 2010, Thomas Daniel vs. State of Kerala & others, & in Civil Appeal No. 13407/ 2014 with Civil Appeal No. 13409 of 2015, B.Radhakrishnan vs. State of Tamil Nadu on 17.11.2015, decisions rendered by Hon'ble Uttarakhand High Court on 12.04.2018 in WPSS No. 1346 of 2016, Smt. Sara Vincent vs. State of Uttarakhand and others, in WPSS No. 1593 of 2021, Balam Singh Aswal vs. Managing Director and others and connected writ petitions on 14.06.2022 & in WPSS No. 363 of 2022 and connected petitions on 05.01.2024 and decision rendered by Hon'ble Madras High Court on 019.06.2019 in WP(MD) No. 23541/ 2015 and M.P. (MD) No. 1 of 2015, M. Janki vs. The District Treasury Officer and another, in this regard.

17 There is, however, no embargo on the respondent department against correct fixation of pay even after retirement, as per the decision rendered by Hon'ble High Court of Judicature at Allahabad on 17.12.2018 in Writ -A No. 26639/2018, Smt. Hasina Begum vs. Purvanchal Vidyut Vitran Nigam Ltd, Prayagraj and 02 others [Citation- 2018:AHC:204373]. Relevant paragraphs of the judgment read as below:

"5. The Division Bench has placed reliance upon a similar case decided by them earlier of one Smt. Omwati who had filed Writ - A No. 28420 of 2016 and the Court had observed that no recovery of excess payment can be made from the writ petitioner although the respondents may correct the pension that had been wrongly fixed for future disbursement to the widow. For this conclusion arrived at by this Court reliance was placed on the Supreme Court's decision in State of Punjab and others Vs. Rafiq Masih (White Washer) and Ors., (2015) 4 SCC 334.

6. It is undisputed that some excess payment has been made to the petitioner. If some correction has been done by the respondents, they are entitled to correct and refix the family pension as the

Supreme Court has observed in several cases that administrative mistake regarding the pay fixation or family pension can be corrected by the authorities. However, in view of the law settled by the Supreme Court in Rafiq Masih (supra) no recovery of excess payment allegedly made to the petitioner already can be done from her.

7. This writ petition is disposed off with a direction to the respondents to pay the correctly fixed pension from December, 2018 onward to the petitioner and not to make recovery of alleged excess payment already made to the petitioner due to wrong pay fixation earlier.”

18. Hon’ble Supreme Court, in the decision rendered in Civil Appeal No.1985 of 2022, the State of Maharashtra and another vs. Madhukar Antu Patil and another, on 21.03.2022, has observed as below:

“2. That respondent no.1 herein was initially appointed on 11.05.1982 as a Technical Assistant on work charge basis and continued on the said post till absorption. By G.R. dated 26.09.1989, 25 posts of Civil Engineering Assistants were created and respondent no.1 herein was absorbed on one of the said posts. Respondent no.1 was granted the benefit of first Time Bound Promotion (for short, ‘TBP’) considering his initial period of appointment of 1982 on completion of twelve years of service and thereafter he was also granted the benefit of second TBP on completion of twenty four years of service. Respondent No.1 retired from service on 31.05.2013. After his retirement, pension proposal was forwarded to the Office of the Accountant General for grant of pension on the basis of the last pay drawn at the time of retirement.

2.1 The Office of the Accountant General raised an objection for grant of benefit of first TBP to respondent no.1 considering his date of initial appointment dated 11.05.1982, on the basis of the letter issued by Water Resources Department, Government of Maharashtra on 19.05.2004.

2.2 Feeling aggrieved and dissatisfied with orders dated 06.10.2015 and 21.11.2015 down-grading his pay scale and pension, respondent no.1 approached the Tribunal by way of Original Application No. 238/2016. By judgment and order dated 25.06.2019, the Tribunal allowed the said original application and set aside orders dated 06.10.2015 and 21.11.2015 and directed the appellants herein to release the pension of respondent no.1 as per his pay scale on the date of his retirement.

2.3 Feeling aggrieved and dissatisfied with the judgment and order passed by the Tribunal, quashing and setting aside orders dated 06.10.2015 and 21.11.2015, refixing the pay scale and pension of respondent no.1, the appellants herein preferred writ petition before the High Court. By the impugned judgment and order, the High Court has dismissed the said writ petition. Hence, the present appeal.

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4. In the present case, as observed hereinabove, his initial appointment in the year 1982 was in the post of Technical Assistant on work charge basis, which was altogether a different post than the

newly created post of Civil Engineering Assistant in which he was absorbed in the year 1989, which carried a different pay scale. Therefore, the department was right in holding that the contesting respondent was entitled to the first TBP on completion of twelve years from the date of his absorption in the year 1989 in the post of Civil Engineering Assistant. Therefore both, the High Court as well as the Tribunal have erred in observing that as the first TBP was granted on the approval of the Government and the Finance Department, subsequently the same cannot be modified and/or withdrawn. Merely because the benefit of the first TBP was granted after the approval of the Department cannot be a ground to continue the same, if ultimately it is found that the contesting respondent was entitled to the first TBP on completion of twelve years of service only from the year 1989. Therefore both, the High Court as well as the Tribunal have committed a grave error in quashing and setting aside the revision of pay scale and the revision in pension, which were on re-fixing the date of grant of first TBP from the date of his absorption in the year 1989 as Civil Engineering Assistant.

5.

6. In view of the above and for the reasons stated above, the present appeal succeeds in part. The impugned judgment and order passed by the High Court as well as that of the Tribunal quashing and setting aside orders dated 6.10.2015 and 21.11.2015 downgrading the pay scale and pension of the contesting respondent are hereby quashed and set aside. It is observed and held that the contesting respondent shall be entitled to the first TBP on completion of twelve years from the year 1989, i.e., from the date on which he was absorbed on the post of Civil Engineering Assistant and his pay scale and pension are to be revised accordingly. However, it is observed and directed that on re-fixation of his pay scale and pension, as observed hereinabove, there shall not be any recovery of the amount already paid to the contesting respondent, while granting the first TBP considering his initial appointment from the year 1982."

[Emphasis Supplied]

19. Learned Counsel for the parties submitted that a bunch of writ petitions has been decided by the Hon'ble High Court vide Judgment dated 14.06.2022, which was assailed by the Uttarakhand Transport Corporation, Dehradun and others in Intra-Court Appeal. Hon'ble High Court of Uttarakhand decided Special Appeal No. 245/ 2022, Managing Director, Uttarakhand Transport Corporation, Dehradun and others vs. Ashok Kumar Saxena and connected Special Appeals, vide order dated 04.04.2024. The situation which is confronted by this Tribunal in present claim petition is covered by the judgment and order dated 14.06.2022 rendered by Hon'ble High Court, which has been affirmed by Hon'ble Division Bench in Special Appeal No. 245 of 2022, vide order dated 04.04.2024.

20. Ld. A.P.O. fairly submitted that the controversy involved in present petition is squarely covered by the decision rendered by Hon'ble Apex Court in Rafiq Masih's case.

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23. Petition is disposed of in terms of the decision rendered by Hon'ble Apex Court in State of Punjab vs. Rafiq Masih, (2015) 4

SCC 334 and catena of other decisions rendered by Hon'ble High Court of Uttarakhand in recent past.”

7. Learned A.P.O. fairly submitted that the claim petition may be disposed of in terms of the aforesaid judgement of the Tribunal, which (judgement) is based on the decision rendered by Hon'ble Apex Court in State of Punjab vs. Rafiq Masih (*supra*) and hosts of other decisions but the petitioner is not entitled to interest on the amount, which was recovered from the gratuity of the petitioner, as excess payment, because the petitioner was legally not entitled to the same.

8. The claim petition is, accordingly, disposed of in terms of the decision rendered by the Tribunal on 08.08.2024 in claim petition no. 98/NB/SB/2022, Smt. Archana Shukla vs. State of Uttarakhand and others. No order as to costs.

(CAPT. ALOK SHEKHAR TIWARI)
Member (A)

(JUSTICE U.C. DHYANI)
CHAIRMAN

DATE: 23rd October, 2024
DEHRADUN
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