



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

RSA-3815-2007 (O&M)

RAM GOPAL CASHIER (RETD.)

..Appellant

Versus

PSEB AND OTHERS

..RespondentS

Reserved on: 17.02.2026

Date of decision: 17.03.2026

Uploaded on: 18.03.2026

Whether only the operative part of the judgment is pronounced? NO
Whether full judgment is pronounced? YES

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Ashwani Talwar, Sr. Advocate with
Ms. Vaishnavi Sikka, Advocate,
Mr. Deepak Goyat, Advocate
Mr. Nikhil Sehrawat, Advocate,
for the appellant.

Ms. Priyanka Malik, Advocate
for the respondent.

* * *

SUDEEPTI SHARMA, J. (Oral)

1. The present appeal is preferred against judgment and decree dated 04.10.2006 passed by Civil Judge (Jr. Division), Patiala, whereby civil suit filed by the appellant was dismissed and judgment and decree dated 18.05.2007, whereby, appeal filed by appellant against judgment and decree dated 04.10.2006 was also dismissed.

2. Brief facts of the case as per the civil suit are that appellant joined services of respondent-PSEB on 22.06.1959 as Meter Reader and retired on 30.06.1997 as LDC (Cashier) after completing total service of 38 years. Since the appellant was entitled to grant of pension and other retiral benefits immediately upon his retirement, he submitted all the documents



including pension papers and completed the procedural formalities before his retirement. However, for a period of about two years after his retirement, no retiral benefits were released. Thereafter, the retiral benefits were released in different phases. No interest was paid on the delayed payment of retiral benefits. He was also not paid special pay of Rs.75/- per month in lieu of cash handling allowance. It was to be added/fixed in his basic pay on 01.01.1996. He moved representations to the Secretary but did not receive any response. After lapse of almost three years, he received letter dated 24.10.2000 asking him to intimate the detail of stations where he remained posted during his service. He was also asked to supply his duplicate service book. He submitted the same but his retiral benefits were not released. Therefore, he filed civil suit for retiral benefits i.e. the commutation of pension, gratuity and other retiral benefits along with interest @18% per annum w.e.f. 30.06.1997 till final realization, which was dismissed by Civil Judge (Jr. Division), Patiala vide judgment and decree dated 04.10.2006. He filed appeal against the same which was also dismissed by Additional District Judge, Patiala vide judgment and decree dated 18.05.2007.

3. Learned counsel for the appellant contends that both the Courts failed to appreciate that departmental proceedings against the appellant with regard to alleged embezzlement already stood decided vide order dated 29.12.1998 (Ex.D-7), whereby, the recovery was also ordered and once that is so, there is no reason for non-adding of special pay of Rs.75/- per month being paid to the appellant on account of his deployment as LDC (Cashier). He further contends that the pendency of criminal proceedings is no impediment in non-adding of amount of special pay with the other pay and



allowances while computing the last pay drawn salary. He, therefore, prays that the present regular second appeal be allowed and judgments and decrees dated 04.10.2006 and 18.05.2007 be set aside.

4. Per contra learned counsel for respondents contends that civil suit as well as the appeal filed by the appellant are rightly dismissed. She, therefore, prays that the present regular second appeal be dismissed.

5. I have heard learned counsel for the parties and perused the whole record with their able assistance.

6. Before proceeding further it would be apposite to reproduce order dated 26.11.2009 passed by this Court which reads as under:-

“Admitted to consider the following substantial question of law in this appeal:

3. Whether the amount of special pay of Rs.75/- per month being received by the appellant is to be counted in the last drawn pay for computation of the pension and other retiral benefits?

It is made clear that with regard to other questions, this appeal is dismissed. It is further stated that the appellant has been retired in the year 1997 and is a senior citizen.

Registry is directed to list this case for hearing on 01.07.2010.”

7. The only question to be considered by this Court is as referred to above. The answer to the same is in positive. The amount of special pay of Rs.75/- per month received by appellant is to be counted in the last drawn pay of commutation of pension and other retiral benefits.

8. Admittedly, appellant joined services of respondent-PSEB on 22.06.1959 as Meter Reader and retired on 30.06.1997 as LDC (Cashier). He has rendered total service of about 38 years. Chargesheet was issued against



him and other cashiers for embezzlement in Board's amount in respect of municipal funds. Disciplinary authority after considering his reply passed punishment order.

9. Vide order dated 29.12.1998 (Ex.D-7) recovery of Rs.2,000/- was ordered against the appellant in the departmental proceedings. Before 26.11.1992 appellant was drawing special pay of Rs.75/- upto the date of his retirement as LDC(Cashier). Vide Finance Circular No.39/88 dated 09.12.1988, respondent-Board had allowed this special pay. Vide Finance Circular No.77/89 dated 29.11.1989 the special pay in lieu of separate time scale was to be counted as pay for the purposes of fixation of pay on promotion to higher post as per regulation 4.3(2) PSEB, MSR Vol-I, Part-I. Vide circular No.57/92 the benefit of increment was granted in lieu of special pay. However, it was provided that those who have been getting special pay before 26.11.1992 would continue to draw the same and it shall be taken into account while fixing his pay.

10. Though learned trial Court has observed regarding circular and that appellant was drawing special pay of Rs.75/- upto the date of his retirement as LDC (Cashier) which was allowed by the respondent-Board vide finance circular No.39/88 dated 09.12.1988. There is no rebuttal regarding the circulars and circular No.57/92, whereby, it was provided that those who were getting special pay before 26.11.1992 would continue to draw the same and it shall be taken into account while fixing his pay on the promotion to higher post or fixation of his pay. And admittedly, appellant was drawing special pay of Rs.75/- before 26.11.1992 upto the date of his retirement as LDC (Cashier). Further, learned trial Court dismissed the civil



suit filed by him on the ground that he was prosecuted for the acts and omission, therefore, he would not be entitled to merger of special pay of Rs.75/- per month in the basic pay without appreciating the Finance circulars No.39/88 dated 09.12.1988 vide which special pay was allowed by the respondent-Board and vide circular No.57/92 though the benefit of increment was granted in lieu of special pay but it was provided therein that those who have been getting special pay before 26.11.1992 would continue to draw the same and it shall be taken into account while fixing their pay on the promotion to higher post or fixation of the pay. Both the Courts failed to appreciate the fact that recovery of Rs.2,000/- was ordered vide order dated 29.12.1998 (Ex.D-7) passed in departmental proceedings, therefore, no reason is given for non-adding of special pay of Rs.75/- per month which was admittedly paid to the appellant on account of his deployment as LDC (Cashier) in his last pay drawn. Since, circulars dated 09.12.1988 and 29.11.1989 and the contention of the appellant that he was already drawing special pay of Rs.75/- and the amount of Rs.2,000/- was already recovered vide order dated 29.12.1998 are not denied by the respondent, therefore, the reason of not adding the special pay of Rs.75/- per month which is admittedly being paid to the appellant in his basic pay is against the circulars as referred to above.

11. In view of the discussion, special pay of Rs.75/- per month received by the appellant is to be counted in the last drawn pay draw for commutation of pension and other retiral benefits. Accordingly, the question of law framed by this Court vide order dated 26.11.2009 is answered in favour of the appellant. Accordingly, the present regular second appeal is



allowed. Judgment and decree dated 04.10.2006 passed by Civil Judge (Jr. Division), Patiala and judgment and decree dated 18.05.2007 passed by Additional District Judge, Patiala are set aside.

12. Respondents are directed to recalculate the pensionary benefits after adding special pay of Rs.75/- in the last pay drawn and grant the arrears of retiral benefits along with interest @12% per annum from the date of accrual to the date of actual disbursement. Since, appellant retired on 30.06.1997 after attaining the age of superannuation, therefore, arrears along with interest @12% per annum shall be counted from 30.06.1997 itself.

13. Since, the present regular second appeal pertains to the year 2007 and appellant retired on 30.06.1997, therefore, to avoid further delay, respondents shall not force the appellant to file execution of the present decision and shall pay the amount/arrears due, along with interest @12% per annum to the appellant within a period of two months from today.

14. Parties are left to bear their own cost.

15. Decree sheet be prepared accordingly.

16. Pending application(s), if any, also stand disposed of.

17.03.2026

Saahil

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

(SUDEEPTI SHARMA)
JUDGE