COURT NO. 1
ARMED FORCES TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

7.

OA 557/2024

Sub A Yesudhas (Retd) ..... Applicant
Versus
Union of India & Ors. ..... Respondents

For Applicant : Mr. Bikrama Sah, Advocate
For Respondents : Mr. Rakesh Dhawan, Advocate

CORAM

HON'BLE MR. JUSTICE RAJENDRA MENON, CHAIRPERSON
HON'BLE LT GEN C.P. MOHANTY, MEMBER (A)

O R D E R
16.02.2024

The applicant, vide the present OA makes the following prayers:

> *" (a) Direct respondents to re-calculate the pension and other terminal benefits after taking into account the benefit of Notional Increment as on 31.12.2023.*
>
> *(b) Direct respondents to grant interest @12% on the arrears of pension and other terminal benefits to which the applicant is held entitled in terms of the re-calculation after implementing the order at (a) above.*
>
> *(c) The applicant be granted any other relief which this Hon'ble Tribunal may deem appropriate, just and proper in the interest of justice and in the facts and circumstances of the case.*

2. Notice of the OA was issued to the respondent which is accepted on their behalf.

3. The applicant was enrolled in the **Indian Army** on **27th December, 1995** and retired on **31st December, 2023**. The applicant submits that he was denied the benefit of increment, which was otherwise due to him, only on the ground that by the time the increment became due, he was not in service though he

completed one full year in service as on **31st Dec, 2023**. He was given his last annual increment on **01st Jan 2023** and was denied increment that fell due on **01st Jan, 2024** on the ground that after the 6th Central Pay Commission, the Central Government fixed 1st July/1st January as the date of increment for all Government employees.

4. Learned counsel for the applicant contends that after the 6th CPC submitted its report, the Government promulgated the acceptance of the recommendations with modifications through the Govt. Extraordinary Gazette Notification dated 29th August, 2008. This notification was also applicable to the Armed Forces personnel and implementation instructions for the respective Services clearly lay down that there will be a uniform date of annual increment, viz. 1st January/1st July of every year and that personnel completing six months and above in the revised pay structure as on the 1st day of January/July, will be eligible to be granted the increment. In this regard learned counsel for the applicant relied upon the law laid down by the Hon'ble High Court of Madras in the case of ***P. Ayyamperumal*** *Vs.* ***The Registrar, Central Administrative Tribunal, Madras Bench and Ors.*** (WP No.15732/2017) decided on 15th September, 2017 and the verdict of the Lucknow Regional Bench of the Armed Forces Tribunal in ***Ex Sgt Kapil Sharma*** *Vs.* ***Union of India and Ors.*** (OA 161/2021) decided on 27.05.2021. The Hon'ble High Court of Madras vide the said judgment referred to hereinabove held that

the petitioner shall be given one notional increment for the purpose of pensionary benefits and not for any other purpose.

5. The respondents fairly do not dispute the settled proposition of law put forth on behalf of the applicant in view of the verdicts relied upon on behalf of the applicant.

6. The law on 'notional increment' has already been laid down by the Hon'ble High Court of Madras in the case of ***P. Ayyamperumal*** (supra) and in ***State of Tamil Nadu, rep. by its Secretary to Government, Finance Department and Others*** Vs. ***M. Balasubramaniam,*** reported in CDJ 2012 MHC 6525, wherein vide paras 5, 6 and 7 of the said judgment it was observed to the effect:

> *"5. The petitioner retired as Additional Director General, Chennai on 30.06.2013 on attaining the age of superannuation.*
> *After the Sixth Pay Commission, the Central Government fixed 1st July as the date of increment for all employees by amending Rule 10 of the Central Civil Services (Revised Pay) Rules, 2008. In view of the said amendment, the petitioner was denied the last increment, though he completed a full one year in service, ie., from 01.07.2012 to 30.06.2013. Hence, the petitioner filed the original application in O.A.No.310/00917/2015 before the Central Administrative Tribunal, Madras Bench, and the same was rejected on the ground that an incumbent is only entitled to increment on 1st July if he continued in service on that day.*
> *6. In the case on hand, the petitioner got retired on 30.06.2013. As per the Central Civil Services (Revised Pay) Rules, 2008, the increment has to be given only on 01.07.2013, but he had been superannuated on 30.06.2013 itself. The judgment referred to by the petitioner in State of Tamil Nadu, rep. by its Secretary to Government, Finance Department and others v. M.Balasubramaniam, reported in CDJ 2012 MHC 6525,*

was passed under similar circumstances on 20.09.2012, wherein this Court confirmed the order passed in W.P.No.8440 of 2011 allowing the writ petition filed by the employee, by observing that the employee had completed one full year of service from 01.04.2002 to 31.03.2003, which entitled him to the benefit of increment which accrued to him during that period.

7. The petitioner herein had completed one full year service as on 30.06.2013, but the increment fell due on 01.07.2013, on which date he was not in service. In view of the above judgment of this Court, naturally he has to be treated as having completed one full year of service, though the date of increment falls on the next day of his retirement. Applying the said judgment to the present case, the writ petition is allowed and the impugned order passed by the first respondent-Tribunal dated 21.03.2017 is quashed. The petitioner shall be given one notional increment for the period from 01.07.2012 to 30.06.2013, as he has completed one full year of service, though his increment fell on 01.07.2013, for the purpose of pensionary benefits and not for any other purpose. No costs."

7. The issue raised in this OA is squarely covered by the judgment of the Hon'ble Supreme Court rendered in Civil Appeal No. 2471 of 2023 decided on 11.04.2023 titled as ***Director (Admn. And HR) KPTCL and Others*** Vs. ***C.P. Mundinamani and Others*** (2023) SCC Online SC 401.

8. Thus, as the issue referred to under consideration in the present OA is no longer ***res integra*** in view of the SLP (Civil) Dy No.22283/2018 against the judgment dated 15th September, 2017 of the Hon'ble High Court of Madras in the case of ***P. Ayyamperumal*** (Supra) having been dismissed vide order dated 23rd July, 2018 and in view of the order dated 19.05.2023 of the Hon'ble Supreme Court in ***SLP (C) No. 4722 of 2021) Union of India & Anr vs M. Siddaraj,*** the OA is allowed.

9. The respondents are thus, directed to:

(a) grant one notional increment to the applicant for the period **1st Jan, 2023** to **31st Dec 2023**, subject to verification that he has completed one full year of service, for the purpose of pensionary benefits and not for any other purpose;

(b) issue fresh corrigendum PPO to the applicant accordingly subject to his fulfilling other conditions which are applicable;

(c) give effect to this order within a period of four months from the date of receipt of a certified copy of this order. The arrears that become due shall be paid without interest.

10. There shall be no order as to costs.

[JUSTICE RAJENDRA MENON]
CHAIRPERSON

[LT GEN C.P. MOHANTY]
MEMBER (A)

Ps
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