

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

47.

MA 5331/2023 IN OA 1726/2023

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| Hav Shashi Ranjan (Retd) | | Applicant |
| Versus | | |
| Union of India & Ors. | | Respondents |

| | | |
|-----------------|---|--|
| For Applicant | : | Mr. Bikrama Sah, Advocate with Ms. Mamta Pannikar, Advocate |
| For Respondents | : | Mr. Kumar Gaurav, Advocate |

CORAM

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

O R D E R
18.10.2024

MA 5331/2023

This application has been filed under Section 29 of the Armed Forces Tribunal Act, 2007, for seeking execution of an order passed by this Tribunal on 11.07.2023 in OA 1726/2023.

2. The facts of the case indicate that the applicant was claiming notional increment which was due to him in accordance to the law laid by Hon'ble Surpeme Court in the case of *Director (Admn. And HR) KPTCL and Others* Vs. *C.P. Mundinamani and Others* [(2023) SCC Online SC 401] [Civil Appeal No.2471 of 2023 decided on 11.04.2023]. When the matter was being decided on 11.07.2023, considering the fact that the law has been settled by the Hon'ble Supreme

Court we intended to direct the respondents to consider the claim of the applicant and decide it in accordance with the directions issued by the Hon'ble Supreme Court in the case of Director (Admn. And HR) KPTCL and Others (supra) and Union of India & Anr Vs. M. Siddaraj, SLP (C) No. 4722 of 2021), when the Tribunal came to know that respondents are not on their own granting benefits based on the aforementioned judgments, the application identical in nature is being allowed. Till date the representation in terms of the order dated 11.07.2023 has also not been decided subsequently.

3. Keeping in view the aforesaid and taking judicial notice of the manner in which the cases pertaining to the grant of notional increment are being dealt with, we, in exercise of our powers of *suo moto* review recall the order dated 11.07.2023 passed in OA 1726/2023 and restore the OA 1726/2023 to its original file and take it up for hearing today itself.

4. That apart, DoPT vide order dated 14.10.2024 has decided to implement all orders passed in the matter of grant of notional increment based on the law laid in the case of Union of India & Anr Vs. M. Siddaraj, SLP (C) No. 4722 of 2021), accordingly respondents are directed to grant

benefit to the applicant in accordance of the aforesaid circular and the judgments.

5. Keeping in view the above, the MA stands dispose of.

OA 1726/2023

6. The OA is taken on board.

7. 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 benefits of notional increment as on 30.06.2022.

(b) Direct the 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) Pass an order awarding cost of the present application for compelling the filing of the instant application.

8. Notice of the OA was issued to the respondents, which is accepted on their behalf.

9. The applicant was enrolled in the **Indian Army** on **12.09.2005** and retired on **30.06.2022**. 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 **01.07.2022**. He was given his last annual increment on **01.07.2021** and was denied increment that fell due on **01.07.2022** 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.

10. 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 29.08.2008. 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 15.09.2017 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.

11. 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.

12. 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.”

13. 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].

14. Moreover, 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 15.09.2017 of the Hon’ble High Court of Madras in the case of *P. Ayyamperumal* (supra) having been dismissed vide order dated 23.07.2018. We consider it essential to rely on 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*, further modified by the Hon’ble Supreme Court of India on

06.09.2024 in MA Dy No. 2400/2024 filed in SLP (C)

No. 4722/2021 which reads to the effect.

(a) The judgment dated 11.04.2023 will be given effect to in case of third parties from the date of the judgment, that is, the pension by taking into account one increment will be payable on and after 01.05.2023. Enhanced pension for the period prior to 31.04.2023 will not be paid.

(b) For persons who have filed writ petitions and succeeded, the directions given in the said judgment will operate as res judicata, and accordingly, an enhanced pension by taking one increment would have to be paid.

(c) The direction in (b) will not apply, where the judgment has not attained finality, and cases where an appeal has been preferred, or if filed, is entertained by the appellate court.

(d) In case any retired employee has filed any application for intervention/impleadment in Civil Appeal No. 3933/2023 or any other writ petitions and a beneficial order has been passed, the enhanced pension by including one increment will be payable from the month in which the application for intervention/impleadment was filed.

15. In view of the foregoing, the OA is allowed as per the following directions:-

(a) grant one notional increment to the applicant for the period 01.07.2021 to 30.06.2022, 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) However, in the interim the arrears will be restricted to period after 01.05.2023 as per the order of Hon'ble Apex Court dated 06.09.2024 in Union of India & Anr Vs. M. Siddaraj (supra).

- (c) issue fresh corrigendum PPO to the applicant accordingly subject to his fulfilling other conditions which are applicable;
- (d) 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.

16. Even though in all the cases till date we have been following and passing aforesaid order but recently it has come to our notice that in certain cases applicants have been granted increment and before completing the period of one year, they are again claiming the subsequent increment as well. Grant of benefit of notional increment, as directed hereinabove, shall be subject to the condition that the applicant has completed one full year of service after drawal of the earlier/last increment.

17. There shall be no order as to costs.

**[JUSTICE RAJENDRA MENON]
CHAIRPERSON**

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