COURT No.1
ARMED FORCES TRIBUNAL
PRINCIPAL BENCH: NEW DELHI

2.
OA 589/2024 WITH MA 697/2024
AND MA 698/2024

Sgt Nemi Chand (Retd) and Ors. ..... Applicant
VERSUS
Union of India and Ors. ..... Respondents

For Applicant : Mr. Pradeep Shukla, Advocate
For Respondents: Mr. Sundeep Kumar, Advocate

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

ORDER
27.02.2024

MA 697/2024

Vide this MA, filed under Rule 4(5) of the Armed Forces Tribunal (Procedure) Rules 2008, the eleven applicants arrayed in the OA seek permission to institute the present OA. In view of the factum that each of them submit to the effect that they impugn the letter dated 2nd November, 2023 issued by respondent No.3 with regard to clarification on notional increment and they have a common interest and in view of the fact that all the applicants are being represented by the same counsel whose authorization and Vakalatnama is placed on the record, the said MA 696/2024 is allowed and the applicants are allowed to join together to institute the present OA.

MA 698/2024

2. This is an application filed under Section 22(2) of the Armed Forces Tribunal Act, 2007 seeking condonation of delay

in filing the present OA. In view of the judgment of the Hon'ble Supreme Court in the matter of ***Union of India and Ors.*** Vs ***Tarsem Singh*** /2009(1)AISLJ 371] and the reasons mentioned, the delay in filing the OA is condoned. The MA is disposed of accordingly.

OA 589/2024

3. The applicants vide the present OA, make the following prayers:

> *" Direct the respondents to grant 01 Notional Increment to all the applicants with effect from 01 Jan 2023 for the purpose of pensionary benefits.*
>
> *b) Direct respondents to pay the due arrears of pension with interest @ 12% p.a. from the date of retirement with all the consequential benefits."*

4. Notice of the OA is accepted by learned counsel for the respondents.

5. The applicants No.1 to 6 and 8 to 11 were enrolled in the **Indian Air Force** on **16th December, 2002** whereas applicant No.7 was enrolled on **30th December, 1996**. All of them retired on **31st December, 2022**. The applicants submit that they were denied the benefit of increment, which was otherwise due to them, only on the ground that by the time the increment became due, they were not in service though they completed one full year in service as on **31st December, 2022.** They were given the last annual increment on **1st January, 2022** and were denied increment that fell due on **1st January, 2023** on the ground that after the 7th Central Pay Commission, the

Central Government fixed 1st July/1st January as the date of increment for all Government employees.

6. Learned counsel for the applicants 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 6 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 No.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.

7. The respondents fairly do not dispute the settled proposition of law put forth on behalf of the applicants in view of the verdicts relied upon by them.

8. 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."

9. The issue raised in this OA is squarely covered by a judgment 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.

10. 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 in SLP (C) No. 4722 of 2021) ***Union of India and Anr*** *Vs* ***M. Siddaraj,*** the OA is allowed.

11. The respondents are thus, directed to:

(a) grant one notional increment to the applicants for the period **1st January, 2022** to **31st December, 2022**, as they have 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 applicants accordingly subject to their 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.

12. There shall be no order as to costs.

(JUSTICE RAJENDRA MENON)
CHAIRPERSON

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

/Priya/