

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

39.

OA 711/2023 with MA 1048/2023

MWO (HFO) Sudarshan Sharma (Retd) & Ors. Applicant
Versus
Union of India & Ors. Respondents

For Applicant : Mr. Pradeep Shukla, Advocate
For Respondents : Mr. Satya Ranjan Swain, Advocate

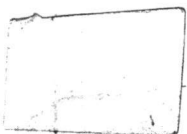
CORAM

HON'BLE MR. JUSTICE RAJENDRA MENON, CHAIRPERSON
HON'BLE MS. RASIKA CHAUBE, MEMBER (A)

ORDER
27.11.2024

OA 711/2023

Invoking the jurisdiction of this Tribunal under Section 14 of the Armed Forces Tribunal Act, 2007, both the applicants herein have filed this application and the prayer made is for grant of notional increment as prayed for in the application, i.e., with effect to 01.06.2023. The issue involved in the matter of grant of notional increment to the employees who retired on 30th June/31st December and their right to claim increment from the 01st July/01st January of the next year has been considered and the law is now settled by the Hon'ble Supreme Court rendered in Civil Appeal No.2471 of 2023 decided on 11.04.2023 titled as The Director (Admn. And HR) KPTCL and Others Vs. C.P.



Mundinamani and Others [(2023) SCC Online SC 401] and further clarified in the case of Union of India & Anr Vs. M. Siddaraj (supra) dated 06.09.2024 in view of the above there is no question of law and fact involved in the matter warranting adjudication. On notice being issued, respondents point out that as far as applicant No. 1(MWO (HFO) Sudarshan Sharma (Retd)) is concerned, he is not entitled to the benefit as he has not completed a one year from the date of grant of last increment and for various other reasons they have passed a speaking order indicating to him that he cannot be granted the relief prayed for in the application. That being so, as far as applicant No.1 is concerned, no orders are necessary as the respondents have already disposed of his claim and now in case applicant is aggrieved by the speaking order passed he shall have the liberty to challenge it in accordance with law. A copy of the speaking order be served on the applicant No.1 and on the same being the applicant will have the liberty to challenge the same in accordance with law

2. As far as grant of the benefit to applicant No.2 is concerned we allow the application to the extent that the applicant No.2 (JWO Kulwant Singh (Retd)) be granted

notional increment in the following manner and it may also be taken note of that based on the judgment of Hon'ble Supreme Court in the case of M. Siddaraj (supra), DoPT has already issued a circular on 14.10.2024 for granting benefit and therefore respondents are required to proceed in accordance with the aforesaid circular.

3. The applicant No. 2, vide the present OA makes the following prayers:

“(a) 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.

(c) Any other relief which the Hon'ble Tribunal may deem fit and proper in the fact and circumstances of the case along with cost of the application in favour of the applicant and against the respondents.”

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

5. The applicant was enrolled in the Indian Air Force on 09.10.1999 and retired on 31st December, 2022 after completion of service. 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 01.01.2023. He was given his last

annual increment on 01.01.2022 and was denied increment that fell due on 01.01.2023 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.

6. 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.

7. 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.

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, i.e., 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 the judgment of the Hon'ble Supreme Court rendered in Civil Appeal No.2471 of 2023 decided on 11.04.2023 titled as The Director (Admn. And HR) KPTCL and Others Vs. C.P. Mundinamani and Others [(2023) SCC Online SC 401].

10. 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.

11. 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 01.01.2022 to 31.12.2022, 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.

12. 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.

13. There shall be no order as to costs.

[JUSTICE RAJENDRA MENON]
CHAIRPERSON

[RASHIKA CHAUBE]
MEMBER (A)

Priya/VB