

COURT NO. 2
ARMED FORCES TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

11.

OA 1880/2025

JC-665380P Sub(RT) OP Goswami Applicant
Versus
Union of India & Ors. Respondents

For Applicant : Mr.S.S. Pandey, Advocate
For Respondents : Mr. V Pattabhiram, Advocate

CORAM

HON'BLE MS. JUSTICE ANU MALHOTRA, MEMBER(J)
HON'BLE REAR ADMIRAL DHIREN VIG, MEMBER (A)

ORDER
07.07.2025

The JC-665380P Sub(RT) OP Goswami vide the present
OA filed under Section 14 of the Armed Forces Tribunal Act,
2007 makes the following prayers:

- (a) *"Call for the records based on which the respondents No.1
has taken a decision not to issue amendment in the Policy
dated 11.12.2013 in the light of judgment of this Hon'ble
Tribunal dated 10.12.2014 in OA 113 of 2014 and judgment
dated 05.10.2017 in OA 1092 of 2017 by extending the
benefit of pay fixation from the date of promotion instead of
01.01.2006 by applying Para 14 of I/S/2008 thereby denying
the applicant his rightful claim of equal pay for equal work*



for want of exercise of option by the applicant and thereafter quash the same.

- (b) Direct the respondents to extend the benefit of option of fixation of pay in the 6th CPC from the date of promotion of the applicant in the rank of Nb Sub(RT) wef 20.03.2008 being more beneficial and thereafter direct the respondent to extend the benefit of option of fixation of pay in the 7th CPC from the date of grant of MACP Sub wef 20.03.2016.*
- (c) Issue further directions to respondent upon such pay fixation in each rank to grant the applicant arrears of the difference of pay in the rank of Nb Sub, MACP Sub and consequently in the rank of Sub after adjusting the payments already made by revising other allowances as per the revised rate including increment/DA etc earned till date alongwith interest @12% from the date it was payable till the date payment is made.*
- (d) Pass any other order/orders as deemed appropriate by this Hon'ble Tribunal in the facts and circumstances of the present case.*

2. The applicant was enrolled in the Indian Army on 25.04.1997. The applicant submits that on completion of 10 years of service as Sepoy he was granted ACP Naik as per the ACP Policy when the Government was yet to bring the 6th CPC for its employees. The applicant further submits that before the implementation of the recommendations of the 6th CPC, he appeared for the selection of JCO in religious

teacher and was re-mustered as Nb Sub(RT) on 20.03.2008 and thereafter the Government accepted the recommendations of the 6th CPC and issued Special Army Instruction(SAI) on 11.10.2008 whereby the SAI had a provision for fixation of pay from the date of promotion to all those persons who were granted any up-gradation of pay by way of promotion between 01.01.2006 and 11.10.2011 based on the option to continue in the pre-revised scale till the date of promotion and get the pay fixed from the date of promotion instead of 01.01.2006 i.e. from the date of implementation of the recommendations of the 6th CPC. The applicant further submits that since he failed to exercise option within the stipulated period of time he was put by default in new pay scale wef 01.01.2006 instead of from the date of promotion which was more beneficial to him and due to this wrong policy of fixation, the applicant's pay was fixed at a level much lower than his juniors in the Rank of Nb Sub and Sub who either exercised their option or were holding the rank of Nb Sub as on 01.01.2006. *Inter alia*, the applicant submits that the MACP Scheme was notified vide AG's Branch Letter dated 13.06.2011 and the same was

implemented wef Sep.2008 by granting 3 up-gradation on completion of 8, 16 and 24 years of service whereas the respondents wrongly granted the benefit of MACP Sub to the applicant which was later cancelled and pay and allowances recovered but the respondents did not correct the pay and allowances of the applicant on the basis of more beneficial option. The applicant further submits that despite several orders passed by this Hon'ble Tribunal, the respondents have not changed their policy and are granting the benefits of pay fixation in a more beneficial way selectively only to those persons who get the order from the Armed Forces Tribunal. Furthermore, the applicant submits that the Government notified the 7th CPC and as per Para 12 thereof, the financial upgradation granted to the persons between 01.01.2016 and 03.05.2017, their pay ought to have been fixed in the 7th CPC from the date of promotion as MACP Sub instead of wef 01.01.2016. The applicant further submits that due to this default/incorrect selection of option, the same is causing recurring financial loss every month and thus leading to pay disparity amongst the similarly placed employees which is contrary to Article 39(d)

of the Constitution of India which envisages "equal pay for equal work" and also contrary to the law laid down by the Apex Court in its judgments. The applicant further submits as per Para 14(b)(iv) of SAI I/S/2008, if no option is exercised by the individual, the PAO(OR) will regulate and fix the pay of the individual on promotion in more beneficial manner by keeping in view the views expressed by the Hon'ble Armed Forces Tribunal (PB) vide order dated 05.10.2017 in OA 1092/2017 titled *Sub(TIFC) Dhyan Singh Vs Union of India & Ors.* and a catena of other orders of the Armed Forces Tribunal wherein also similarly circumstanced applicant (s) have been granted the stepping of pay at par to his junior. The applicant further submits that his representation dated 13.09.2023 submitted to the Respondent No.4 and 5 for fixation of his pay in a more beneficial way has not been acted upon.

3. We have examined numerous cases pertaining to the incorrect pay fixation in 6th CPC in respect of Officers/JCOs/ORs merely on the grounds of option not being exercised in the stipulated time or applicants not exercising the option at all. The matter in issue is no more

res judicata in view of the order dated 24.08.2022 of the Armed Forces Tribunal (PB), New Delhi in the case of *Col. Rajesh Suredia (Retd) Vs Union of India & Ors* in OA 2857/2021 whereby vide paras 10 to 15 thereof it has been observed as under:

"10. Unlike the 6th CPC, implementation instructions which has an explicit provision that no promotion, in the eventuality of the requisite option not being exercised by an officer, the most beneficial option of fixing the, either from date of promotion/next increment will be extended, the 5th CPC instructions does not have such a provision. Similarly, the 7th CPC too does not have such an explicit provision.

11. We have examined numerous cases pertaining to the incorrect pay fixation in-6th CPC in respect of Officers/JCO/OR merely on the grounds of option not being exercised in the stipulated time or applicants not exercising the option at all, and have issued orders that in all these cases the petitioners pay is to be re-fixed-with the most beneficial option as stipulated in Para 14 of the SAI 1/S/2008 dated 11.10.2008.

The matter of incorrect pay fixation has been exhaustively examined in Sub M.L. Shrivastava v. Union of India. O.A No. 1182 of 2018 decided on 03.09.2021. Relevant portions are extracted below:

38. In summary, we find that given the complexity of calculating pay and allowances, while the rules and regulations for implementation of 6th CPC had adequate safeguards to ensure that the most beneficial option was worked out adopted for each Individual, this has not been implemented with requisite seriousness and commitment by the Respondents, in particular the PAO(OR) who were the custodians to ensure this. This has resulted in serious financial implications to individuals including loss of pay and allowances whilst in service and on retirement This has also

resulted in financial loss to those who transited to 7th CPC with incorrect fixation of pay in the 6th CPC. The only ground for denial of the most beneficial pay scale to the applicants and many others who are similarly placed is that either the individuals did not exercise an option for pay fixation, or they exercised it late, beyond the perceived stipulated period. In the given circumstances, the respondents themselves should have taken steps to remove this anomaly, and ease out the Issue for the serving soldiers, many of whom may not be knowledgeable about the Intricacies of these calculations, in the full knowledge that that no one will ever knowingly opt for a less beneficial option. We emphasise the fact that it's the responsibility of the Respondents and the service authority to look after the interests of its own subordinate personnel.

39. In view of the above, the three OAs under consideration are allowed and we direct the Respondents to:—

- (a) Review the pay fixed of the applicants and after due verification re-fix their pay under 6th CPC in a manner that is most beneficial to the applicants.
- (b) Thereafter re-fix their pay in all subsequent ranks and on transition to 7th CPC where applicable, and also ensure that they are not drawing less pay than their juniors.
- (c) Re-fix all pensionary and post retiral benefits accordingly.
- (d) Issue all arrears and fresh PRO where applicable, within three months of this order and submit a compliance report.

40. In view of the fact that there are a large number of pending cases which are similarly placed and fall Into Category A or B, this order will be applicable In rem to all such affected personnel. Respondents are directed to take suo motu action on applications filed by similarly aggrieved personnel and instruct concerned PAO(OR) to verify records and re-fix their pay in 6th CPC accordingly.

12. Similarly, in the matter of incorrect pay fixation in the 7th CPC, the issue has been exhaustively examined in *Sub Ramjeevan Kumar Singh v. Union of India* decided on 27.09.2021. Relevant portions are extracted below:

12. Notwithstanding the absence of the option clause in 7th CPC, this Bench has repeatedly held that a soldier cannot be drawing less pay than his junior, or be placed in a pay scale/band which does not offer the most beneficial pay scale, for the only reason that the soldier did not exercise the required option for pay fixation, or exercised it late. We have no hesitation in concluding that even under the 7th CPC, it remains the responsibility of the Respondents; in particular the PAO (OR), to ensure that a soldier's pay is fixed in the most beneficial manner.

13. In view of the foregoing, we allow the OA and direct the Respondents to:—

(a) Take necessary action to amend the Extraordinary Gazette Notification NO SRO 9E dated 03.05.2017 and include a suitable 'most beneficial' option clause, similar to the 6th CPC. A Report to be submitted within three months of this order.

(b) Review the pay fixed of the applicant on his promotion to Naib Subedar in the 6th CPC, and after due verification re-fix his pay in a manner that is most beneficial to the applicant, while ensuring that he does not draw less pay than his juniors.

(c) Issue all arrears within three months of this order and submit a compliance report.

13. As stated by the Counsel for the applicant, recently in our Order dated 08.07.2022 in OA 1579/2017 *Gp Capt AVR Reddy (supra)*, we have examined the same issue and have directed the Respondents to review the pay fixation on

most beneficial option. Also in our Order dated 05.08.2022 in OA 868 of 2020 Lt Col Karan Dusad & Ors we have directed CGDA to issue necessary instructions to review pay fixation of all officers of all the three Services, whose pay has been fixed on 01.01.2006 in 6th CPC and provide them the most beneficial option. Relevant extracts are given below.

102 (a) to (j) xxxxxx.

(k) The pay fixation of all the officers, of all the three Services (Army, Navy and Air Force), whose pay has been fixed as on 01.01.2006 merely because they did not exercise an option/exercised it after the stipulated time be reviewed by CGDA/CDA (O), and the benefit of the most beneficial option be extended to these officers, with all consequential benefits, including to those who have retired. The CGDA to issue necessary instructions for the review and implementation.

Directions

103. xxxx.

104. We, however, direct the CGDA/CDA(O) to review and verify the pay fixation of all those officers, of all the three Services (Army, Navy and Air Force), whose pay has been fixed as on 01.01.2006, including those who have retired, and re-fix their pay with the most beneficial option, with all consequential benefits, including re-fixing of their pay in the 7th CPC and pension wherever applicable. The CGDA to issue necessary instructions for this review and its implementation. Respondents are directed to complete this review and file a detailed compliance report within four months of this order.

14. It is evident from the above details that there indeed is a financial advantage to the applicants had their pay on promotion in Dec 2004 been fixed from the date of their next increment in March 2005. This would then also have resulted in appropriate financial advantage on transition to

the 6th CPC on 01.01.2006 too. In this case, this advantage has been denied only on the grounds that the applicant had not exercised his option. This Tribunal is of the firm opinion that irrespective of whether an officer rendered his option or not, the organization and in particular the implementing agency and the paying agency are beholden to advice an officer and ensure that the most beneficial option in pay fixation is given to him. Merely because the provisions are there in the instructions, is inadequate methodology to ensure that all officers/men got the most beneficial advantage from the way their pay is fixed. Even if the applicants had not exercised their option, we do not find any record that the Respondents did advice the applicants on the implications of pay fixation from date of promotion/DNI apart from issuing a letter and holding the officer responsible. There is just no reason to believe that anyone will knowingly opt for a less beneficial pay fixation option. Thus the applicants have exercised/not exercised options in the absence of full knowledge of the implication of their action, which in our opinion was the responsibility of the paying authority to ensure. Merely taking cover behind an argument that as per the implementation instructions the paying office was not required/barred from suo moto taking such necessary steps/initiatives does not hold water.

15. In the light of the above consideration, we find that the applicant *prima facie* has a case and the balance of convenience too is in his favour. We therefore, allow the OA and direct the Respondents to

(a) Review the pay fixed of the applicant on promotion to the rank of Lt Col in Dec 2004 under the 5th CPC and after due verification re-fix his pay in a manner that is most beneficial to the applicant.

(b) Re-fix the applicants' pay on transition into 6th CPC with the most beneficial option, while

ensuring that the applicants do not draw less pay than their juniors.

(c) Re-fix the applicants' pay on transition to 7th CPC and subsequent promotion and retirement accordingly.

(d) All pending similar cases pertaining to pay fixation on promotion in 5th CPC with the most beneficial option be similarly reviewed and pay re-fixed.

(e) Pay the arrears within three months of this Order and submit a compliance report."

4. Significantly, vide judgment dated **14.08.2024** in **Union of India & Ors Vs Col. Rajesh Suredia (Retd)** in WP(C) **5477/2024**, the Hon'ble High Court of Delhi has upheld the said order of the Armed Forces Tribunal (PB), New Delhi in **Col. Rajesh Suredia (Retd) Vs Union of India & Ors** in OA **2857/2021** and has observed vide paras 3-5 thereof to the effect:

"3. After detailed arguments, learned counsel for the petitioners submits that taking into account that the directions issued by the learned Tribunal for reviewing the pay fixation qua all similarly placed persons as the respondents would involve examining of voluminous record, the exercise to comply with paragraph 15(d) of the order is likely to take at least further six weeks' time.

4. In the light of this explanation given by the petitioners, we grant further six weeks' time to the petitioners to comply with the directions issued in the impugned order.

5. The writ petition is accordingly disposed of in the aforesaid terms. "

5. In the light of the above consideration, the OA 1880/2025 is allowed and the respondents are directed to:

- (a) Review the pay fixed of the applicant in a most beneficial manner in the 6th CPC after due verification and ensuring that the applicant is not drawing less pay than that his coursemate/junior.
- (b) Thereafter, re-fix the applicant's pay on transition to 7th CPC and subsequent promotion(s) in a most beneficial manner.
- (c) To pay the arrears within three months of this order.

6. No order as to costs.

**[JUSTICE ANU MALHOTRA]
MEMBER(J)**

**[REAR ADMIRAL DEEPA VIG]
MEMBER (A)**

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