



CNR: KAHC010073852025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 31ST DAY OF AUGUST, 2026

PRESENT

THE HON'BLE MR. JUSTICE R DEVDAS

AND

THE HON'BLE DR. JUSTICE K.MANMADHA RAO

WRIT PETITION NO. 3360 OF 2025 (S-CAT)

BETWEEN:

1. UNION OF INDIA,
REPRESENTED BY SECRETARY,
RAILWAY BOARD,
NEW DELHI-110001.
2. THE GENERAL MANAGER,
ZONAL HEADQUARTERS OFFICE,
SOUTH WESTERN RAILWAY,
HUBLI-580020.
3. THE CHIEF PERSONNEL OFFICER,
ZONAL HEADQUARTERS OFFICE,
SOUTH WESTERN RAILWAY,
HUBLI-580020.
4. THE CHIEF ADMINISTRATIVE OFFICER,
CONSTRUCTION, SOUTH WESTERN RAILWAY,
BENGALURU CANTONMENT,
BENGALURU-560 046.
5. THE FINANCIAL ADVISOR
AND THE CHIEF ACCOUNTS OFFICER,

Digitally
signed by
JUANITA
THEJESWINI
Location:
HIGH COURT
OF
KARNATAKA



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CONSTRUCTION, SOUTH WESTERN RAILWAY,
BENGALURU CANTONMENT,
BENGALURU-560 046.

6. THE FINANCIAL ADVISOR AND
THE CHIEF ACCOUNTS OFFICER,
ZONAL HEADQUARTERS OFFICE,
SOUTH WESTERN RAILWAY,
HUBLI-580020.

...PETITIONERS

(BY SRI. KUMAR M N., CGSPC)

AND:

S.MOHAN KUMAR,
SON OF K.V.SRINIVASAN,
AGED ABOUT 70 YEARS,
RETIRED AS SENIOR PERSONNEL OFFICER,
IN THE OFFICE OF CHIEF ADMINISTRATIVE OFFICER,
CONSTRUCTION, SOUTH WESTERN RAILWAY,
BENGALURU CANTONMENT,
BENGALURU- 560 046.
R/A NO.29, 1ST MAIN ROAD,
2ND A CROSS ROAD, MICHAEL PALYA,
INDIRANAGAR, BENGALURU-560038

...RESPONDENT

(BY SRI. MOHAN KUMAR-RESPONDENT/PARTY-IN-PERSON)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 &
227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A
WRIT OF CERTIORARI OR ANY OTHER APPROPRIATE WRIT OR
ORDER TO QUASH THE FINAL ORDER DATED 25.07.2024



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PASSED IN O.A No-170/00438/2023 BY THE HON'BLE CAT
BENGALURU BENCH VIDE ANNEXURE-C AND ETC.,

THIS PETITION, COMING ON FOR FINAL HEARING, THIS
DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE R DEVDAS
and
HON'BLE DR. JUSTICE K.MANMADHA RAO

ORAL ORDER

(PER: HON'BLE MR. JUSTICE R DEVDAS)

The Union of India along with the General Manager
and other officers of the South Western Railway, have filed
this writ petition under Article 227 of the Constitution of
India, raising a challenge to the impugned order passed by
the Central Administrative Tribunal, Bengaluru Bench in
Original Application No.170/00438/2023 dated
25.07.2024.

2. The respondent, a retired Senior Personnel Officer
of the South Western Railway filed the original application
before the Central Administrative Tribunal (hereinafter
referred to as 'the Tribunal' for short) and sought for a



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direction to the petitioners herein to grant increment on notional basis from 01.07.2015 and consequently to revise his pensionary benefits. The Tribunal, accepted the contention of the respondent and directed the petitioners herein to grant one notional increment to the respondent, who according to the Tribunal, earned on the last day of his service for rendering his services preceding one year before the date of retirement and directed the petitioners herein to re-fix the terminal/pensionary benefits, restricting the payment of arrears to three years preceding the date of filing of the case i.e., on 01.09.2023.

3. Learned Central Government Senior Panel Counsel for the Union of India, Sri M.N.Kumar, appearing for the petitioners, submitted that Regulation No.1318 of Chapter 13 of the Indian Railway Establishment Code (IREC) which provides for increments in time-scale, reads as follows:

RAILWAY FUNDAMENTAL RULES-PAY AND INCREMENT



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1318. (F.R. 24) Increments in Time-scale.-

An increment other than the increment next above an efficiency bar shall ordinarily be drawn as a matter of course unless it is withheld. An increment may be withheld from a railway servant by a competent authority if his conduct has not been good or his work not been satisfactory. In ordering the withholding of an increment, the withholding authority shall state the period for which it is withheld and whether the postponement shall have the effect of postponing future increments.

Notwithstanding anything contained in these rules, on or after 1-11-73, the increment shall be drawn as from the 1st of the month in which it falls due under the normal rules and the date of next increment shall be reckoned on this basis viz. 1st of the month in which initially the increment was drawn on or after 1-11-73. In such cases, the pay of railway servants on promotion/appointments to higher grades/posts shall be fixed in the higher scale after taking into account the increment to be drawn from the first of the month notwithstanding that the date on



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which that increment actually falls due is after the date of promotion.

(Railway Board's letter No.PC III/74/INC/1 dt 17-1-74 and dated 3-6-75.)

When the increment is withheld for a specified period as a measure of penalty, the increment should be drawn from the date from which the penalty imposed ceases to operate. The subsequent increment shall however be admitted/drawn from the first of the month in which they fall due under normal rules, the period of dies-non like break in service etc. being treated in the same way as leave without pay.

(Railway Board's letter No.PC III/75/Inc/2 dt. 10.11.75.)"

4. Learned counsel submits that though the provision provides that an increment shall ordinarily be drawn as a matter of course, nevertheless, it provides that an increment may be withheld from a railway servant by a competent authority, if his conduct has not been good or his work not being satisfactory. In ordering the



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withholding of the increment, the authority shall state the period for which it is withheld and whether the postponement shall have the effect of postponing future increments also. Learned counsel submitted that the respondent was proceeded against for indiscipline. Accordingly, an order was passed by the disciplinary authority on 15.05.2015 accepting the report of the Enquiry Officer who had held that the charges are proved against the respondent herein and accordingly proceeded to impose a penalty of reduction by one stage in time scale till retirement with cumulative effect and the punishment shall also affect his retirement benefits.

5. In that view of the matter, learned counsel submits that having regard to the provision which was pointed out earlier, it is clear that the respondent cannot claim to be of good conduct or that his work was satisfactory during the relevant period. Learned Counsel submitted that serious allegations were made against the



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respondent where six different charges were leveled against the respondent and the Enquiry Officer held that the Articles of Charges 2, 3 and 4 have been proved beyond doubt.

6. The Enquiry Officer reported that the respondent failed to submit his defence within the prescribed time despite extending the time limit twice. Further, having regard to the requirement of the Regulations for grant of increment, learned counsel submitted that when it is clear that the Disciplinary Authority has imposed penalty on the respondent by reducing the time scale by one stage and till retirement with cumulative effect, the respondent cannot claim that he is automatically entitled for notional increment.

7. Learned counsel further submitted that admittedly the respondent did not raise a challenge to the order of punishment imposed by the Disciplinary Authority. The order was passed on 15.05.2015 and till date the order of



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penalty imposed on the respondent has not been challenged and not set aside. That being the position, the respondent is not entitled for grant of notional increment.

8. Per contra, the respondent-party in person submitted that even going by the order of penalty imposed by the Disciplinary Authority, the penalty will come to an end on the last day of retirement. Moreover, the penalty imposed on the respondent is for reduction of the time scale and that has nothing to do with the grant of increment which the respondent is entitled as a matter of right for service rendered for one year prior to the date of retirement.

9. The respondent submitted that the impugned order was passed on 25.07.2024 and the respondent filed Contempt Petition after waiting for the period of three months as directed by the Tribunal. It is only after the respondent filed contempt petition that this writ petition has been filed by the petitioners only to drag on the



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proceedings and deny the legitimate rights of the respondent. The respondent also submitted that at Ex.A5, he has furnished the history of service of the respondent, and it is pointed out that the annual increment for the years 2011, 2012, 2013 and 2014 were not denied to the respondent. It is only because of the punishment imposed on 15.05.2015, the annual increment for the last year has been denied to the respondent.

10. We have heard the learned Central Government Senior Panel Counsel for the Union of India, the petitioners and the respondent / party-in-person and perused the petition papers.

11. The learned counsel for the petitioners has placed reliance on a decision of the Apex Court in the case of ***Director (Administration and Human Resources) KPTCL and Others Vs. C.P.Mundinamani and Others*** (2023) 14 SCC 411.



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12. Learned counsel has submitted that the Apex Court has considered the question of grant of annual increment in the said case, which is again based on good conduct while rendering one year service. It was held that increments are given annually to officers with good conduct unless such increments are withheld as a measure of punishment or linked with efficiency. It is therefore clear that though grant of annual increments are as a matter of course, nevertheless on a proven misconduct of an employee, the claim for increment may be interfered with. In the present case, we find that the respondent was proceeded against in a departmental inquiry and on proven misconduct, the Disciplinary Authority has imposed penalty of reduction of time scale by one stage till retirement with cumulative effect and it is also directed that this punishment will also affect the retirement benefits of the respondent here.

13. When admittedly such a penalty is imposed by the Disciplinary Authority, although, 47 days before the



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retirement of the respondent, nevertheless if the claim of the respondent is in respect of grant of notional increment for the last one year before service, it requires that the respondent should have a clean record of service. When the service records of the respondent do not amplify such good conduct, the claim of the respondent for automatic grant of notional increment, cannot be considered on the face of it.

14. In the case of ***C.P.Mundinamani***, we find that the undisputed facts therein were that one day earlier than the retirement and on completion of one year service preceding the date of retirement all the employees earned one annual increment. But the contention there was that the relevant Regulations, namely Regulation 40 (1) of the Karnataka Electricity Board Employees Service Regulations, 1997, provided that an increment accrues from the day following that on which it is earned. The Apex Court accordingly held that the moment a



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Government servant has rendered service for a specified period with good conduct, in a time scale, he is entitled to the annual increment and it can be said that he has earned the annual increment for rendering the specified period of service with good conduct. However, merely because the Government servant therein had retired on the very next day, he was denied the annual increment on the ground that he was not in service as on the date when the benefit of increment accrued to the Government servant. That is not the facts and circumstances of this case. Here is a case where the Disciplinary Authority imposed a punishment of reduction of one stage in time scale till retirement with cumulative effect and it was also directed that this punishment will also affect the retrial benefits of the respondent. Such a punishment imposed by the Disciplinary Authority continued till the retirement of the respondent, therefore, the same benefit as was given to the Government servant in the case of ***Mundinamani*** cannot be granted to the respondent.



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15. The learned counsel for the petitioners is right in his submission that such a punishment imposed by the Disciplinary Authority continuing the punishment till the retirement of the respondent, was not questioned by the respondent even after retirement. That being the position, it cannot be held that the respondent exhibited good conduct during the last one year prior to the retirement.

16. We have also considered the contentions of the respondent that for the years 2011 to 2014, the annual increments were granted to the respondent. Accordingly, it has been argued by the respondent that if the penalty was imposed after 01.07.2015, the respondent would have been granted the annual increment taking into consideration that no such penalty was imposed before 30.06.2015. However, it is an undeniable fact that on 15.05.2015 such a punishment was imposed on the respondent and the respondent did not raise a challenge to the penalty imposed by the Disciplinary Authority. It is



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therefore futile on the part of the respondent to contend that earlier he was granted annual increment and therefore for the year 2015 also he should be granted annual increment.

17. Having regard to the facts noted hereinabove, we are of the considered opinion that the respondent having failed to get the punishment imposed on him either recalled or set aside in a manner known to law, the respondent cannot claim that he exhibited good conduct during the relevant period. On the contrary, it is clear from the records borne out that in the last year of the service of the respondent, the Disciplinary Authority has imposed a punishment which would run till the retirement of the respondent.

18. Therefore, having regard to the relevant Regulations, which require good conduct of the respondent throughout the year, and such a good conduct not being exhibited or continued and the fact that the respondent



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was imposed with a punishment which ran till the time of his retirement, the respondent cannot claim the benefit of notional increment automatically. Unless and until the punishment imposed on the respondent is set aside in a manner known to law, the respondent cannot claim automatic benefit of the provision.

19. Accordingly, we pd to pass the following :

ORDER

- i) The Writ Petition is ***allowed***.
- ii) The impugned order dated 25.07.2024 passed by the Central Administrative Tribunal, Bangalore Bench in Original Application No.170/00438/2023 is set aside.

**Sd/-
(R DEVDAS)
JUDGE**

**Sd/-
(DR.K.MANMADHA RAO)
JUDGE**

JT/-
CT: JL