

**IN THE HIGH COURT OF PUNJAB & HARYANA  
AT CHANDIGARH**

( Sr. No.110 )

**CWP No.28540 of 2023**

**Date of decision: 21.12.2023**

**Union of India and others**

..... Petitioners

*Versus*

**Jagdish Lal and another**

..... Respondents

**CORAM : HON'BLE MR. JUSTICE DEEPAK SIBAL**

**HON'BLE MRS. JUSTICE AMARJOT BHATTI**

Present : Mr. Rakesh Verma, Senior Panel Counsel for the petitioners.

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**DEEPAK SIBAL, J. (Oral)**

(1) The Union of India has preferred the present petition to challenge therein the order dated 09.08.2023 passed by the Central Administrative Tribunal, Chandigarh Bench (for short - the Tribunal) through which respondent No.1's Original Application (for short - OA) for the grant of an additional increment, has been allowed.

(2) The undisputed facts are that on 30.06.2013 respondent No.1 retired as a PA SBCO from the Head Post Office, Dasuya. Prior thereto he had earned his annual increment on 01.07.2012. Since he retired on 30.06.2013 and the entitlement for the grant of the next annual increment accrued on 01.07.2013, he was denied the benefit thereof on the ground that he was not in service on the date of accrual of the increment. Such denial was challenged by respondent No.1 before the Tribunal through an OA which has been allowed through the order under challenge.

(3) The issue as to whether employees retiring a day prior to the date of accrual of the annual increment are entitled to the grant thereof has now been settled in the employees' favour by the Supreme Court in its recent decision dated 11.04.2023 passed in **Civil Appeal No.2471 of 2023 (SLP (C) No.6185 of 2020) – The Director (Admn. and HR) KPTCL & others vs. C.P. Muddinamani and others**. The relevant portions of the said judgment are reproduced below for reference : -

*“6.5 Now, so far as the submission on behalf of the appellants that as the increment has accrued on the next day on which it is earned and therefore, even in a case where an employee has earned the increment one day prior to his retirement but he is not in service the day on which the increment is accrued is concerned, while considering the aforesaid issue, the object and purpose of grant of annual increment is required to be considered. A government servant is granted the annual increment on the basis of his good conduct while rendering one year service. Increments are given annually to officers with good conduct unless such increments are withheld as a measure of punishment or linked with efficiency. Therefore, the increment is earned for rendering service with good conduct in a year/specified period. Therefore, the moment a 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. Therefore, as such, he is entitled to the benefit of the annual increment on the eventuality of having served for a specified period (one year) with good conduct efficiently. Merely because, the government servant has retired on the very next day, how can he be denied the annual increment which he has earned and/or is entitled to for rendering the service with good conduct and efficiently in the preceding one year.*

xxxx    xxxx    xxxx

7. *In view of the above and for the reasons stated above, the Division Bench of the High Court has rightly directed the appellants to grant one annual increment which the original writ petitioners earned on the last day of their service for rendering*

*their services preceding one year from the date of retirement with good behaviour and efficiently. We are in complete agreement with the view taken by the Division Bench of the High Court. Under the circumstances, the present appeal deserves to be dismissed and is accordingly dismissed. However, in the facts and circumstances of the case, there shall be no order as to costs."*

(4) Thus, the Supreme Court in ***C.P. Mundinamani's*** case (supra) has decided in no uncertain terms that an employee who has earned his annual increment is entitled to the same despite the fact that he has retired a day prior to its accrual.

(5) The law laid down by the Supreme Court in ***C.P. Mundinamani's*** case (supra) fully covers the case of respondent No.1 in his favour and against the petitioners. Therefore, the Tribunal is found to have committed no error, in fact or in law, to allow respondent No.1's OA.

(6) Dismissed.

(7) No costs.

(DEEPAK SIBAL)  
JUDGE

21.12.2023  
sunil yadav

(AMARJOT BHATTI)  
JUDGE

Whether speaking/reasoned : Yes / No  
Whether reportable : Yes / No