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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 1802/2026, CM 8715/2026 and CM APPL. 8716/2026**

UNION OF INDIA & ANR.Petitioner
Through: Mr. Shashank Bajpai CGSC,
Ms Aashna Mehra, Mr. Vatsal
Tripathi, Mr. Govind Singh
Chauhan, Advocates

versus
KULBIR SINGH & ORS.Respondent
Through: Mr. Atul Chaubey, Advocate

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE AMIT MAHAJAN

ORDER

% **09.02.2026**

1. Through the present Petition, the Petitioners assail the correctness of the order dated 03.07.2025 passed by the learned Central Administrative Tribunal, Principal Bench, New Delhi [hereinafter referred to as 'Tribunal'] in O.A. No. 446/2021, whereby the Tribunal granted the Respondents the benefit of annual increment on the basis of the judgement passed by the Hon'ble Supreme Court in Civil Appeal No. 2471/2023, captioned ***The Director (Admn. And HR) KPTCL & Ors. v. C.P. Mundinamani & Ors.***

2. The Respondents in the present case voluntarily retired w.e.f. 31.01.2020 and claimed annual increments which accrued on 01.02.2020. The same was denied, which led to the filing of the Original Application before the learned Tribunal.

3. The Respondents contended before the learned Tribunal that similarly situated persons who have taken voluntary retirement were given benefit by the Hon'ble Supreme Court and the Department in ***Union of India & Anr. v. M. Siddaraj*** in Special Leave Petition (C) No. 4722/2021.



4. *Per contra*, the Petitioners rely upon frequently asked questions (FAQs) to contend that the annual increment benefit is not extended to the employees who opted for the Voluntary Retirement Scheme ('VRS'), having voluntarily accepted the terms and conditions of the scheme.

5. On being pointedly asked, the Petitioners failed to draw the attention of the Court towards any term of the VRS, which debars the employee from claiming the benefit of annual increment.

6. The Hon'ble Supreme Court in ***The Director (Admn. and HR) KPTCL & Ors.*** (supra) was dealing with the case where the employees retired one day earlier than the date on which the annual increment became payable. They had, however, completed one year of service preceding the date of retirement and had earned one annual increment. The increment was denied on the ground that the date on which the increment accrued, i.e., the 366th day, the employee was not in service. It was held that the increment is earned for rendering their services for one year preceding the date of retirement and only because the benefit accrues on a day after the retirement, the benefit cannot be denied.

7. In the present case also, the Petitioners have not been able to dispute that the Respondents had earned the annual increment for rendering their services for one year preceding the date of retirement by showing good behaviour and efficiency. As held by the Hon'ble Supreme Court, the word *accrued* should be understood liberally to mean that the benefit would be payable on the succeeding day, and any contrary view denying a government servant legitimate annual increment which he is entitled to for rendering the services over a year would lead to arbitrariness and unreasonableness. Such a narrow



interpretation should be avoided.

8. Pertinently, the only reason pressed for denying the increment as contended is that the Respondents did not retire on attaining the age of superannuation but took VRS.

9. Undisputedly, the employee who seeks VRS is governed by the terms as contained therein.

10. In the present case, however, nothing has been pointed out to show that the Respondents had agreed to let go of the benefit of increment which would have been payable as per the agreed rules.

11. It is not disputed by the Petitioners that the next date of annual increment fell on 01.02.2020 upon completion of 365 days of duty on 30.01.2020, i.e., the date of retirement of the Respondent employees.

12. In the considered opinion of this Court, this issue is squarely covered by the judgement passed by the Hon'ble Supreme Court in ***The Director (Admn. And HR) KPTCL & Ors. (supra)*** and we see no reason why the benefit of the said judgement should not be given to the Respondents.

13. It is not disputed that the Respondents completed 365 days of satisfactory work and earned the increment. The Department cannot deny the benefit which has already been earned by the employee, though payable on a subsequent date due to the administrative rules.

14. Accordingly, the present Petition, along with pending applications, stands dismissed.

ANIL KSHETARPAL, J.

AMIT MAHAJAN, J.

FEBRUARY 9, 2026/DU/s.godara