

No. 19/116/2024-Pers.Pol. (Pay)(Pt)
Government of India
Ministry of Personnel, Public Grievances & Pensions
Department of Personnel & Training

North Block, New Delhi
Dated the 20th May, 2025.

OFFICE MEMORANDUM

Subject: Grant of notional increment on 1st July / 1st January to the employees who retired from Central Govt. service on 30th June / 31st December respectively for the purpose of calculating their pensionary benefits - regarding.

The undersigned is directed to invite reference to the instructions issued vide this Department's OM of even number dated 14.10.2024 (copy enclosed) regarding grant of 'notional increment' on 1st July/1st January to the Central Government employees who retired/are retiring from service a day before it became due i.e. on 30th June/ 31st December and have rendered the requisite qualifying service as on the date of their superannuation with satisfactory work and good conduct for calculating the pension admissible to them. The said instructions were issued in compliance of the Interim Order dated 06.09.2024 passed by the Hon'ble Supreme Court while hearing MA No.2400/2024 filed by M/o Railways along with several Intervention Applications tagged therewith. It was indicated therein that the action taken shall be subject to the final outcome of the petition (Dy. No. 36418/2024) filed by this Department seeking review of the Order dated 11.04.2023 of the Hon'ble Supreme Court in CA No. 2471/2023 on the subject matter.

2. Hon'ble Supreme Court, vide Order dated 18.12.2024, had dismissed the Review Petition (Dy. No. 36418/2024) filed by this Department with the observation that there is no error apparent on the face of the record, warranting reconsideration of the order impugned.

3. Hon'ble Supreme Court has subsequently disposed of MA No. 2400/2024 filed by M/o Railways and other petitions vide Order dated 20.02.2025 while issuing the following final directions in the matter:

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 30.04.2023 (erroneously mentioned as 31.04.2023 in the Order) 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;

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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 filed an application for intervention/ impleadment/writ petition/ original application before the Central Administrative Tribunal/High Courts/Supreme Court, the enhanced pension by including one increment will be payable for the period of three years prior to the month in which the application for intervention/ impleadment/ writ petition/ original application was filed.

4. The Hon'ble Supreme Court has decided that the direction referred at Para 3(d) above will not apply to the retired government employee who filed a writ petition/original application or an application for intervention before the Central Administrative Tribunal/High Courts/Supreme Court after the judgment in "Union of India & Anr. Vs M. Siddaraj", as in such cases directions referred in Para 3(a) will apply.

5. In addition, Hon'ble Supreme Court has clarified that in case any excess payment has already been made, including arrears, such amount paid will not be recovered. Court has decided that pending applications including all intervention/impleadment applications shall stand disposed of in terms of this order.

6. The matter has been examined in consultation with D/o Expenditure and D/o Legal Affairs. It is advised that in pursuance of the above referred Order dated 20.02.2025 of the Hon'ble Supreme Court, action may be taken to allow the increment on 1st July / 1st January to the Central Government employees who retired/are retiring a day before it became due i.e. on 30th June / 31st December and have rendered the requisite qualifying service as on the date of their superannuation with satisfactory work and good conduct for calculating the pension admissible to them. As specifically mentioned in the orders of the Hon'ble Supreme Court, grant of the notional increment on 1st January / 1st July shall be reckoned only for the purpose of calculating the pension admissible and not for the purpose of calculation of other pensionary benefits.

7. This issues with the concurrence of D/o Expenditure vide their Dy. No. 08-09/2019-E.IIIA(Vol.III)(4265134) dated 29.04.2025 and D/o Legal Affairs vide Computer Dy. No. E-144903 dated 17.03.2025.

8. Hindi Version will follow.

Encl: as above

Vikas
20/05/25
(Vikas)

Under Secretary to the Government of India
Tel. No. 20340489

To

All Ministries/Departments of Government of India.

Copy also forwarded to:

1. The Secretary General, Supreme Court of India.
2. The Controller General of Accounts/ Controller of Accounts, Ministry of Finance.
3. Union Public Service Commission/ Lok Sabha Sectt./ Rajya Sabha Sectt./ Cabinet Sectt./ Central Vigilance Commission/President's Sectt./ Vice-President's Sectt/ Prime Minister Office/ Niti Aayog.
4. Governments of all States and Union Territories
5. Department of Personnel and Training (AIS Division), JCA/ Admn. Section.
6. The Secretary, National Council of JCM (Staff Side), 13-C, Feroz shah Road, New Delhi.
7. All Members of Staff Side of the National Council of JCM/ Department Council.
8. Department of Expenditure, Ministry of Finance.

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Under Secretary to the Government of India
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