

MOST IMMEDIATE
COURT CASE MATTER

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. PC-VI/2023/Misc./03 (Part)

New Delhi, dated: .02.2024

**The General Managers/ Principal Financial Advisors,
All Zonal Railways & Production Units
(as per the standard mailing list)**

Sub: Grant of notional increment (as due on 1st July/1st January) for the pensionary benefits to those employees who had retired on 30th of June before drawing the same – Clarification reg.

A large number of cases had been filed by the retired employees of Indian Railways & also by the retired employees of other Ministries/ Departments of Union of India who had retired on 30th of June/31st of December of a year seeking the benefit of notional increment (as due on 1st July/1st January of the retirement year) for the purpose of pensionary benefits.

2. In one such case viz. Civil Appeal No. 2471 of 2023 arising out of SLP (C) No. 6185 of 2020 {The Director (Admn. and HR) KPTCL &Ors Vs C. P. Mundinamani & Ors}, Hon'ble Supreme Court had decided the issue of notional increment on merits and interpreted the law involved vide their judgements dated 11.04.2023 inter-alia granting the benefit of notional increment to the applicants. Subsequently, the SLP (C) No. 4722/2021 (Union of India & Ors Vs M. Siddaraj) was also dismissed relying on their above judgement.

3. Consequent to Hon'ble Apex Court's aforesaid judgements, a number of contempt petitions have been filed before various courts of law seeking early compliance of orders pronounced by the said Hon'ble Court/ Tribunal whereby benefit of notional increment was granted in favour of the applicants. Considering the huge ramifications & financial implications involved, the matter was again referred to the nodal department on the issue i.e. Department of Personnel & Training (DOP&T) to advise the further course of action to be adopted such cases.

4. As of now, based on the advice tendered by DOP&T, the benefit of notional increment is being granted strictly on personam basis, only in contempt cases. However, it is understood that multiple contempt petitions are being filed before various Courts/ Tribunals across all Indian Railways. On each such occasion, the Railway had to refer the case to Board's office seeking concurrence before implementing the orders wherein there always remained certain uncertainty in ensuring timely compliance of the directions. Of late, it has been observed that the number of contempt cases has increased and many field units have raised concern as monitoring these cases on case to case basis has become difficult.

5. Taking into account of these factors and also to avoid any embarrassing situation to senior officials impleaded as contemnors in such contempt cases, all Zonal Railways/PUs are hereby advised to implement the orders pronounced by various courts of law granting the benefit of notional increment in letter & spirit without referring the same to Board's office, **strictly on personam basis, only in those cases where a contempt petition has been filed by the petitioner subject to any administrative directions received from DOP&T and fulfillment of the condition that the petitioner(s) had completed 12 months of service on the date of retirement on superannuation since the date of accrual of last annual increment.**

...contd.

6. It is reiterated that the aforesaid benefit of notional increment shall only be restricted to contempt cases. In other cases, the matter may be referred to Board's office **invariably** for further clarification which will be issued separately on receipt of necessary guidelines from DOP&T.

Signed by

Sundeep Pal

Date: 09-02-2024 17:31:45

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