

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO(S). _____ OF 2026
[@ SLP (C) NO. 27521 OF 2024]

THE CHAIRMAN AND MANAGING DIRECTOR & ORS. Appellant(s)

VERSUS

RAMAVARAPU VENKATA NARAYANA & ORS. Respondent(s)

O R D E R

1. Leave granted.

2. This Appeal by way of Special Leave Petition is against the judgment and order dated 08.05.2024 passed by the High Court of Andhra Pradesh at Amaravati allowing the Writ Petition No. 35787 of 2018 and directing the appellants to revise and refix the pensionary benefits and arrears of the respondents with effect from 01.04.2010.

3. The brief facts relevant for our consideration are as follows. Respondents superannuated as employees of Eastern Power Distribution Company of Andhra Pradesh Ltd. on 31.03.2010. Subsequently, a Notification dated 15.04.2010 came to be issued stipulating that 01.04.2010 shall be the uniform date for revised pay scales or annual increments. It was further clarified that the same would be applicable to employees who are in service as on 01.04.2010.

4. The respondents submitted representations for fixation of pension as per revised pay scales with effect from 01.04.2010. With no response forthcoming they filed a Writ Petition seeking a direction for consideration of their representation. Vide order dated 02.04.2018, the High Court disposed of the Writ Petition by directing appellants to consider and decide respondents' representation.

5. In compliance, the appellants considered the representation and directed that pension has been fixed as per Notification dated 21.04.2010, which is applicable to employees who retired before 01.04.2010. The decision also observed that there is no provision for revision of pay, as the respondents already stood retired as on 31.03.2010.

6. Aggrieved by the rejection of their representation, respondents filed a Writ Petition, which came to be allowed vide the judgment impugned before us. Thus, the appellants are before this Court now.

7. Heard learned counsel appearing on behalf of the appellants as well as the respondents.

8. It is argued that the High Court by the order impugned simply followed the decision of the Full Bench of that Court in *Principal Accountant General, A.P., Hyderabad and another v. C. Subba Rao*¹ without a detailed examination. It is seen that the High Court relied upon paragraph 55 of the Full Bench

¹ 2005 (5) ALT 25 (F.B.).

judgment to grant relief to the respondents herein. It is also argued that the relevant portion of the Full Bench judgment, as applicable to the fact and circumstances of the present case actually in paragraphs 51 and 53. They are reproduced herein for ready reference:

"51. Applying the same principle, so as to get increment falling due on the first of the succeeding month, an employee must satisfy not only the condition of becoming entitled, but also the other conditions, namely, he should continue to be on duty as a Government servant paid from consolidated fund of India, and such increment should have been taken into consideration for the purpose of payment of his salary for the month during which such person retires. When an increment is given in recognition of past one year service, the benefit of such increment will not accrue in the past or in present time but the benefit would accrue only from a point of time in future. When an employee retires on the last working day of the month he ceases to be such Government servant and thus he would not get any benefit of such increment. Hence, no increment need be granted to such retired employee.

53. Therefore, in the matter of accrual of increment by an employee after last working day of such an employee and the employee who still continues to be a Government employee are altogether different and an employee who retires cannot claim increment that would accrue on a date after retirement. Even though an increment is sanctioned after the completion of one year of service because the grant of increment is by way of incentive for the employee to work in future with same efficiency. In the case of retired employee, that eventuality would not arise."

9. Instead of referring to the above-referred paragraphs of the Full Bench Judgment, the High Court relied on the observation in paragraph 55 of the Full Bench Judgment which reads as follows:

"55. This question would arise only in Writ Petition No. 22042 of 2003 as the respondent therein also claimed DA instalments at 49%. As held by us supra, a Government servant who would be retiring on the last day of the month would cease to be Government servant by midnight of that day and he would acquire status of pensioner and therefore he would be entitled for all the benefits given to a pensioner with effect from first day of the succeeding month. In Banerjee case (supra), the Supreme Court laid down that as soon as first day of the succeeding month commenced, petitioner retired and gave the benefit of enhanced DA. The same view has been consistently followed in subsequent decisions as well. To that extent, it must be held that the learned Tribunal has taken correct view."

10. Ms. Prerna Singh, learned counsel for the appellants submits that the High Court has committed an error in coming to its conclusion. Ms. Prerna Singh also relied on the decision of this Court in *Director (Administration and Human Resources) KPTCL v. C.P. Mundinamani*,² as per which there is an indication that the decision of the Full Bench stands overruled.

11. Ms. C. K. Sucharita, learned counsel for the respondents has submitted that the High Court may be directed to

² (2023) 14 SCC 411.

reconsider its decision after a proper consideration of the Full Bench judgment as well as the judgment of this Court in *C.P. Mundinamani* (supra). We are in agreement with the submission of Ms. C.K. Sucharita. By this course of action, the State as well as the contesting respondent will have an opportunity to place their case before the High Court and the High Court can hear both the parties and decide the case in accordance with law.

12. In view of the above, we allow the Civil Appeal arising out of SLP (C) 27521 of 2024, set aside the judgment and order of the High Court in Writ Petition No. 35787 of 2018 dated 08.05.2024 and restore the Writ Petition to its original number. The High Court will now take up the Writ Petition and hear learned counsels for the petitioners and the respondents and dispose of the Writ Petition in accordance with law.

13. In view of the fact that the Writ Petition relates to a claim for retiral benefits, the High Court may dispose of the Writ Petition as expeditiously as possible, preferably within a period of three months from today.

.....J.
[PAMIDIGHANTAM SRI NARASIMHA]

.....J.
[ALOK ARADHE]

NEW DELHI;
May 12, 2026

ITEM NO.12

COURT NO.6

SECTION XII-A

S U P R E M E C O U R T O F I N D I A

RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 27521/2024

[Arising out of impugned final judgment and order dated 08-05-2024 in WP No. 35787/2018 passed by the High Court of Andhra Pradesh at Amravati]

THE CHAIRMAN AND MANAGING DIRECTOR & ORS.

Petitioner(s)

VERSUS

RAMAVARAPU VENKATA NARAYANA & ORS.

Respondent(s)

IA No. 168805/2025 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

Date : 12-05-2026 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE PAMIDIGHANTAM SRI NARASIMHA
HON'BLE MR. JUSTICE ALOK ARADHE

For Petitioner(s) :Ms. Prerna Singh, Adv.
Mr. Guntur Pramod Kumar, AOR
Ms. Vanshika Singh, Adv.

For Respondent(s) :Ms. C. K. Sucharita, AOR
Mr. Vinod Kumar Gupta, Adv.

UPON hearing the counsel the Court made the following

O R D E R

1. Leave granted.
2. The Civil Appeal is allowed in terms of the Signed Order.
3. Pending application(s), if any, shall stand disposed of.

(KAPIL TANDON)
COURT MASTER (SH)

(NIDHI WASON)
ASSTT. REGISTRAR(NSH)
(Signed Order is placed on the file)