

CENTRAL ADMINISTRATIVE TRIBUNAL PRINCIPAL BENCH

OA No. 2031/98

New Delhi: Dated this the 17<sup>th</sup> day of November, 1999.

HON'BLE MR. S. R. ADIGE VICE CHAIRMAN (A).

Shri Ashok Kumar,  
Asstt. Audit Officer,  
O/o the Pr. Director of Commercial Audit-III,  
'A' Block Hutments, Behind South Block,  
New Delhi-110011.

2. Shri Sanjay Sood,  
Asstt. Audit Officer,  
O/o the Pr. Director of Commercial Audit-III,  
'A' Block Hutments, Behind South Block,  
New Delhi -0011.

3. Shri Anil Kumar,  
Asstt. Audit Officer,

4. Ghanshyam Sharma, AAO.

5. Neeraj Mohan, AAO

6. Smt. Sangesta Puruswani, AAO

All O/o the Pr. Director of Commercial  
Audit-III, 'A' Block Hutments, Behind South Block  
New Delhi-0011. .... Applicants.

(By Advocate: Shri P.M. Ahlawat).

Versus

Union of India,  
through

1. The Comptroller & Auditor General of India,  
10-B.S. Zafar Marg, New Delhi-0002.

2. The Principal Director of Commercial Audit &  
Ex-Officio, Member Audit Board-III,

'A' Block Hutments,  
Behind South Block,

New Delhi -0011

.... Respondents.

(By Advocate: Shri M.K. Gupta)

ORDER

HON'BLE MR. S. R. ADIGE, VICE CHAIRMAN (A).

Applicants impugn respondents' order dated  
21.8.98 (Annexure-A-1) and seek arrears of increments  
from the date of completion of one year from the date  
of their appointment as Direct recruit Section Officers  
till 19.3.97, with consequential benefits.

2. Applicants were appointed as Section Officers in October, 1987. In OA No. 607/91 M. Srinivas Pd. and others Vs. C.A.G. India & Ors. decided by CAT, Hyderabad Bench on 25.9.95 (Annexure-A2), those applicants who were similarly directly recruited as Section Officers in respondent organisation, were inter alia held to be entitled to the first increment on completion of one year from the date of their appointment.

3. Subsequently respondents have issued Circular dated 20.3.97 (Annexure-A-3) directing release of 1st increment on completion of one year's service from the date of appointment, the second increment on completion of 2nd year's service and so on. Those benefits have been made applicable on notional basis w.e.f. 1.1.86 and actual basis from the date of issue of the circular.

4. Applicants represented for the arrears of increments on 13.2.98 (Annexure-A4), on the grounds that applicants in OA No. 607/91 decided on 25.9.95 had been granted the same. The representation was rejected by impugned orders dated 21.8.98 against which this OA has been filed.

5. I have heard both sides.

6. Applicants' counsel has asserted that applicants cannot be treated differently from the beneficiaries of the CAT, Hyderabad Bench's order dated 25.9.95 as the same amounts to arbitrariness and discrimination and relies upon the Hon'ble Supreme Court's rulings in K.C. Sharma & Ors. Vs. UOI & Ors. 1998(1) SLJ(SC) 54 as well as Indrapal Yadav S. UOI (1985) 2 SC 648.

7. It is not denied that by respondents' Circular dated 20.3.97, applicants have been made entitled to their first increment on completion of the 1st year of service and so on. All that the aforesaid circular has done is to restrict payment of arrears by making it operative on notional basis w.e.f. 1.1.86 and on actual basis from the date of its issue in view of the huge financial outlays involved. This circular dated 20.3.97 has not been specifically impugned by applicants.
8. That apart, it is always legally open to the authorities to restrict payment of arrears in the public interest having regard to the financial outlays involved, and the principle of release of 1st increment after one year's service having been conceded by respondents' circular dated 20.3.97 it cannot be said that merely because it has been made applicable on notional basis w.e.f. 1.1.86 and on actual basis with effect from the date of its issue, applicants are being discriminated against. In this connection, the rulings in 1997 (5) SCC 167 State of Haryana Vs. R.C.Jain & 1994 (27) ATC 742 relied upon by respondents' counsel are relevant.
9. The OA therefore warrants no interference. It is dismissed. No costs.

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*S.R. Adige*  
( S. R. ADIGE )  
VICE CHAIRMAN (A).