



**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CWP-502-1999 (O&M)
Reserved on: 03.09.2025
Pronounced on: 25.09.2025

Sumer Paul and others

....Petitioners

Versus

Punjab Scheduled Castes Land Development and Finance Corporation
and others

....Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. K.L. Arora, Advocate
for the petitioners.

Mr. Gaurav Tangri, Advocate
for respondent No.1.

Mr. Vikas Arora, DAG, Punjab.

HARPREET SINGH BRAR J. (Oral)

1. The present civil writ petition has been filed under Articles 226/227 of the Constitution of India for issuance of a writ in the nature of *mandamus* directing the respondents to modify their own orders Annexure P-13, P-16 and P-16A and for granting higher pay scale of the post from which the petitioners were promoted. Further a writ of *certiorari* has been sought, for quashing the impugned order dated 04.04.1989 (Annexure P-17).

**FACTUAL BACKGROUND**

2. Briefly the facts of the case are that the petitioners were employees of the respondent-Corporation. They were initially part of a joint feeder cadre (Assistants/Accounts Assistants, etc.) and drawing a pay scale of Rs. 800-1400 in the feeder cadre, which was later redesignated as Assistant District Managers (ADMs). The promotion from this feeder cadre is to the post of Enforcement Officer, later redesignated as District Manager (DM). However, upon promotion to the higher post of District Manager, they were placed in a lower pay scale of Rs. 700-1200. The respondent-Corporation's Board of Directors, in its meeting on 26.12.1988, decided to revise the pay scale for District Managers from Rs. 700-1200 to Rs. 825-1580. However, the Government of Punjab, vide order dated 04.04.1989 (Annexure P-17), directed the Corporation to revert to the old pay scales, stating the revision involved a policy matter that required government ratification. Consequently, the revised pay scale was not implemented for the petitioners.

3. The petitioners made representations and had previously filed writ petitions i.e. CWP No.10400 of 1996 and CWP No.6209 of 1998. While the Corporation passed certain orders to address the grievance, the petitioners contend that these orders did not grant them the higher promotional pay scale of Rs. 825-1580 and its subsequent revised scales, but merely continued them in the lower scale with an increment.



4. Learned counsel for the petitioners, *inter alia*, contends that the very foundation of the pay structure is defeated when employees are granted a lower pay scale upon promotion to a higher post. The petitioners, who were senior-most in the feeder cadre drawing a scale of Rs. 800-1400, were subjected to a financial loss by being placed in the scale of Rs. 700-1200 upon their promotion as District Managers during 1984-85.

5. It is further contended that the Board of Directors of the Corporation, in exercise of its powers under Section 34 of the 1970 Act and the corresponding Regulations, legally revised the pay scale to Rs.825-1580 after considering special circumstances to cure the anomaly. The impugned order dated 04.04.1989 (Annexure P-17) passed by the Government, which halted the implementation of this revision, is unsustainable as it interferes with the statutory powers of the Board and creates an illogical pay anomaly where juniors in the feeder cadre drew higher salaries than seniors in the promotional post. Further, the counsel submits that the subsequent orders passed by the Corporation (Annexures P-13, P-16, P-16/A) in compliance with this Court's earlier directions provided no meaningful relief, as they failed to grant the duly revised promotional pay scale and its corresponding subsequent revisions, thereby perpetuating the injustice. The inaction of the respondents is violative of the principles of natural justice and constitutes a perverse decision that no reasonable authority would have arrived at if relevant material had been considered.



6. *Per contra*, learned counsel for the respondents submits that the government had rejected the decision of the Board of Directors to upscale the pay scale of District Managers on the ground that it involves vital matters of policy and directed the Corporation to revert to old pay scales.

OBSERVATION & ANALYSIS

7. Having heard the learned counsel for the parties and after perusing the record with their able assistance, it transpires that the petitioners had initially worked with the respondent-Corporation in the Feeder Cadre (ADMs), and were drawing the pay scale of Rs. 800-1400/-. The petitioners were subsequently promoted to District Managers (DMs), which is a higher post. Upon promotion, their pay scale was revised to Rs. 700-1200, which is less than the pay scale they were drawing in the Feeder Cadre (lower post) and less than what their juniors in the Feeder Cadre were drawing, despite being seniors on a higher post.

8. A Two Judge Bench of the Hon'ble Supreme Court in ***Bharat Sanchar Nigam Ltd. v. R. Santhakumari Velusamy 2011(9) SCC 510*** speaking through Justice R.V. Raveendran made the following observations,

“12. We may next consider the concepts of 'promotion' and 'upgradation'. In Lalit Mohan Deb, this Court explained the difference between a promotion post and a selection grade :



*"It is well recognised that a **promotion post is a higher post with a higher pay.** A selection grade has higher pay but in the same post. A selection grade is intended to ensure that capable employees who may not get a chance of promotion on account of limited outlets of promotions should at least be placed in the selection grade to prevent stagnation on the maximum of the scale. Selection grades are, therefore, created in the interest of greater efficiency."*

(emphasis added)

9. Further a Division Bench Judgment rendered by this Court way back in the year 1994 titled as "***Sunder Lal Jain v. State of Haryana***" 1995 (2) RSJ 94, expressed that,

*"6. **If there is no increase in the emoluments of a citizen on his promotion, no one would ever work with zeal and dedication nor would he ever like to acquire better experience and more qualifications. This would result into complete stagnation.** The action of the respondents in equating the promotional posts with that of inferior posts in the matter of pay scale would obviously result in restricting the natural aspiration of human being to go higher and higher in his service graph and would, thus, be wholly arbitrary. A direction is, thus, issued to forthwith fix the pay of petitioners in the scale immediately higher than the one they were getting on a lower post from which they were promoted. This Court is of the considered view that the authorities responsible for fixing the pay scales of petitioners should immediately get down and see through that the justice is done to the petitioners by fixing them in a pay scale commensurate to their nature of duties and post."*

(emphasis added)

10. As per principles of administrative law, promotion without a consequent upgradation in salary is generally considered incomprehensible because promotion inherently implies advancement in



rank, grade, or status, which necessarily includes a financial benefit. As such, promotion is not merely a change in designation but an advancement to a higher rank which carries higher status and better emoluments. If promotion ends up in lesser pay than the feeder post, the very concept of promotion becomes illusory and meaningless and such promotion is reduced to penalty than being a reward for seniority and meritorious service. Further, such promotion would be counter productive to the very concept of the promotion which is to incentivise and encourage, efficiency and merit. Such an approach cannot be countenanced which is unconscionably archaic and devoid of balance and nuance.

11. Admittedly the petitioners were promoted in the same line of work from the feeder cadre and were having a higher pay scale in the lower post and subsequently upon promotion their pay scale was lesser than what they received in the lower post which would also make them having lower pay scale than their juniors in the feeder cadre who despite being junior would be earning more than their seniors which is wholly discriminatory and violates the principles of equity and fair play, as promotion and Higher Pay are directly proportional to each other.

CONCLUSION

12. In light of the discussions above, the present petition is allowed. The respondent-Corporation is directed to upgrade the pay



scale of the petitioners in the promoted post in accordance with the Office Order dated 06.02.1989, w.e.f. the date they were promoted as District Managers and to release all the benefits accrued to them till their retirement if they have retired within a period of 6 weeks from the date of receiving a certified copy of this order.

13. Pending miscellaneous application, if any, also stands disposed of.

(HARPREET SINGH BRAR)
JUDGE

25.09.2025
yakub

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No