2026:PHHC:072352

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

209 CWP-5507-2025

Date of Decision: **08.05.2026**

Land Mortgage Bank Employees Union, Punjab (Regd) and others

....Petitioners

VERSUS

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present : Mr. Ranjit Singh Kalra, Advocates the petitioner.

Mr. Vikas Sonak, AAG Punjab.

Mr. Prashant Kapila, Advocate for respondent No.3.

HARPREET SINGH BRAR, J. (Oral)

1. The present writ petition has been filed under Articles 226/227 of the Constitution of India praying for issuance of a writ in the nature of *mandamus* directing the respondents to release the benefits of 6^{th} Pay Commission w.e.f. 01.01.2016 to the employees of the respondent-Bank along with interest @ 18% per annum in light of the fact that same has been made applicable and adopted by the Board of Directors of the Bank, along with interest @ 18% per annum w.e.f. 01.01.2016 till the release of the benefits. Further summoning the records of the case, whereby inspite of unanimous adoption of 6^{th} Pay Commission who stood notified on

15.07.2021 w.e.f. 01.01.2016, the benefits flowing from the same have not been released. Further directing the respondents to unfreeze the dearness allowance and to extent the dearness allowance with the increased rate as extended to the persons in other departments and autonomous bodies along with interest @ 18% per annum.

2. Learned counsel for the petitioners, *inter alia,* contends that petitioners No.2 to 24 are employees of respondent No.3-Bank. It is submitted that the recommendations of the 6th Pay Commission were accepted by the Government of Punjab and, pursuant thereto, the Board of Directors of respondent No.3-Bank also adopted the recommendations of the 6th Pay Commission in respect of the employees of the Bank, subject to the condition that the arrears would be released in four half-yearly instalments, since the recommendations were implemented retrospectively w.e.f. 01.01.2016.

2.1 Learned counsel further draws the attention of this Court to the resolution dated 25.04.2023 (Annexure P-3), passed in the meeting of the Board of Directors of respondent No.3-Bank held on 25.04.2023. It is submitted that the said meeting was attended by the Administrative Secretary, Department of Cooperation, Government of Punjab, as well as the representative of respondent No.2 i.e. the Additional Registrar, who participated in the deliberations pertaining to approval and notification of the implementation of the 6th Pay Commission recommendations. However, despite the aforesaid resolution having been duly passed, the matter has been kept pending by the respondents on one pretext or another.

2.2 It is further contended that the benefits arising out of the adoption and implementation of the 6th Pay Commission have been withheld on the ostensible ground that formal approval from respondent No.2 is still awaited. Learned counsel submits that as a consequence thereof, the petitioners have been deprived not only of the benefits flowing from the 6th Pay Commission, but even the benefits under the 5th Pay Commission have not been extended to them, despite the decision already having been taken by the competent authority.

2.3 Learned counsel also refers to Annexure R-2/6 appended with the reply filed by respondent No.2, to contend that the financial condition of respondent No.3-Bank is sound and financially stable. It is pointed out that the Bank has been earning profits consistently and has not received any grant-in-aid from the Government during the last five years. In such circumstances, it is argued that there exists no financial impediment in extending the benefits of the 6th Pay Commission to the employees of the Bank.

2.4 It is vehemently contended that once the Administrative Secretary, Department of Cooperation, Government of Punjab, and the representative of respondent No.2 were themselves part of the meeting of the Board of Directors wherein the decision to adopt and implement the recommendations of the 6th Pay Commission was unanimously taken, no further formal approval was required. Learned counsel submits that neither the Administrative Secretary nor the representative of respondent No.2 raised any objection or recorded any dissent to the resolution passed by the Board of Directors. As such, the approval and concurrence of the competent authorities stood impliedly granted in the meeting itself, and the subsequent withholding of benefits is wholly arbitrary, unjustified and unsustainable in the eyes of law.

3. *Per contra,* learned State Counsel as well for respondent No.3 submits that though the Board approved implementation of 6^{th} Pay commission to its employees in its meeting dated 25.04.2023 but it is pending for the approval of the Government as and when the approval is received, arrears shall paid in four half yearly instalments accordingly.

4. Having heard learned counsel for the parties and after perusing the pleadings and material available on record with their able assistance, this Court finds that the recommendations of the 6th Pay Commission had already been accepted by the Government of Punjab. Pursuant thereto, the Board of Directors of respondent No.3-Bank, in its meeting held on 25.04.2023, considered the issue regarding grant of revised pay scales to the officers/employees of the Bank in terms of the recommendations of the 6th Pay Commission.

5. A perusal of the resolution dated 25.04.2023 (Annexure P-3) reveals that the said meeting was attended by Smt. Ritu Aggarwal, I.A.S., representative of the Financial Commissioner, Cooperative, Punjab, as well as Sh. Rajnish Sharma, Additional Registrar, Representative of R.C.S, Punjab, representing respondent No.2. The proposal regarding implementation of the recommendations of the 6th Pay Commission was unanimously approved by the Board of Directors. It was further resolved that the arrears arising therefrom would be released in four half-yearly instalments after obtaining the requisite approvals in accordance with the instructions of the Punjab Government.

6. The principal contention raised on behalf of the respondents is that although the resolution has been passed by the Board of Directors, the same is still awaiting approval of the competent Government authorities and, therefore, the benefits flowing therefrom cannot be released at this stage.

7. It is undisputed that the Board, which approved the recommendations, comprised the competent authorities representing the Government of Punjab. Therefore, once the recommendations stood duly approved by the competent body, it does not lie in the mouth of the respondents to contend that the matter is still pending approval.

8. Reliance in this regard can be placed upon the judgment rendered by this Court in ***CWP-4266-2026, Satpal Gupta and others Versus Haryana State Cooperative Supply and Marketing Federation Limited and***

another, wherein while dealing with a similar situation involving a resolution requiring approval of the Registrar, despite the Registrar himself being a participant in the meeting in which the resolution was passed, this Court observed as under:-

> *"12. The judicial precedents establish a clear principle regarding the requirement of "approval". The Hon'ble Supreme Court in* ***Sant Lal Gupta (supra)*** *elucidated that the term "approval" connotes a conscious act of confirming, ratifying, assenting, or sanctioning an act done by another, which inherently involves the application of discretion and knowledge. Furthermore, the decision in* ***Shabbir Mohammad Sayed (supra)*** *clarifies that the core of ratification or approval rests on the foundation of knowledge; a person is deemed to have approved an act when they are fully aware of the act and consent to it.*
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> *13. Therefore, when a competent authority, is present at the time when a decision is made, participates in the proceedings, and raises no objection or dissent, it satisfies both the requirement of knowledge and the absence of any expression of disapproval constituting implied consent and a deemed approval of that decision.*
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> *Xxx xxx xxx*
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> *15. In view of Rule 5 of the 1988 Rules, which mandates approval of the Registrar,* ***his presence in the meeting, awareness of the unanimous decision, and further consciously letting the resolution to pass must be construed as implied approval****. Consequently, the statutory requirement*

stands duly satisfied, as such, his approval as required by the statute, is deemed to have been received, thereby validating the revision of the pay scales with effect from 01.01.1986.

9. As such, when the Government represented through the competent authorities, was present and part of the Board which passed and adopted the resolution, the approval of the Government was deemed to be received.

10. Further, no objection, reservation or dissent was recorded by either of the aforesaid representatives at the relevant point of time. Consequently, the said resolution is deemed to have been duly approved by the Government.

11. Further, this Court further finds merit in the contention raised on behalf of the petitioners that respondent No.3-Bank is financially viable and has been earning profits consistently. The record further reveals that no financial grant-in-aid has been extended by the Government to the Bank during the preceding years. In such circumstances, indefinite withholding of the benefits arising out of the recommendations of the 6th Pay Commission, despite unanimous approval by the Board of Directors, cannot be countenanced in law. Employees cannot be left remediless merely on account of prolonged inter-departmental correspondence or administrative inaction.

12. In view of the above, the present writ petition is accordingly allowed. Respondents/competent authority is directed to grant the consequential benefits to the petitioners in terms of the resolution dated resolution dated 25.04.2023 (Annexure P-3) within a period of six months from the date of receipt of certified copy of this order.

13. It is made clear that the petitioners would not be entitled to any interest. However, if the order is not complied within the stipulated time frame, the petitioners would be entitled to interest @ 6% from its due date till its actual realization.

14. Pending miscellaneous application(s), if any, shall also stand disposed of.

(HARPREET SINGH BRAR)
JUDGE

08.05.2026
Puneet Chawla

Whether speaking/reasoned. : Yes/No
Whether Reportable. : Yes/No