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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 5216/2026 & CM APPL. 25498/2026

SBI RETIRED OFFICERS WELFARE ASSOCIATION & ORS.

.....Petitioners

Through: Mr. Avinash K. Sharma, Mr. R. Abhishek, Mr. Praveen Kumar, Advocates.

versus

STATE BANK OF INDIA & ANR. .....Respondents

Through: Mr. Rajiv Kapur, SC for SBI with Mr. Akshit Kapur, AOR and Ms. Riya Sood, Advocate for R-1.
Mr. Nitinjya Chaudhry, CGSC with Mr. Rahul Mourya, Advocate for R-2.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

O R D E R

% **20.04.2026**

1. The present writ petition is directed against the speaking order dated 28th January, 2026 passed by the State Bank of India pursuant to the earlier order of this Court dated 5th December, 2025 in W.P.(C) 8331/2025, and also against SBI e-circular dated 28th August, 2024 to the extent it introduces "Special Pay" for permanent officers with effect from 1st August, 2024.

2. Petitioner No. 1 is an association of retired officers of the State Bank of India. Petitioners Nos. 2 and 3 are retired officers and members of that association. Their grievance is that, after the 11th Bipartite Settlement for workmen staff took effect from 1st November, 2017, the differential in pay

and pensionary benefits between award staff and officers narrowed sharply. The Bank eventually accepted that anomaly and introduced "Special Pay" for officers by the e-circular dated 28th August, 2024. The complaint is that, once that anomaly stood acknowledged, there was no lawful basis to make the benefit available only from 1st August, 2024 and to deny it to officers who had retired between 1st November, 2017 and 31st July, 2024.

3. The earlier writ petition filed by the Petitioners was disposed of by this Court on 5th December, 2025 with a direction to the respondent Bank to consider the representation dated 25th January, 2025 and pass a speaking order. The Court did not enter upon the merits at that stage. Pursuant thereto, the Bank has passed the speaking order dated 28th January, 2026, rejecting the request for retrospective extension of "Special Pay".

4. Mr. Avinash K. Sharma, counsel for the Petitioners, submits that the controversy has its roots in the service changes which followed the 11th Bipartite Settlement for workmen staff, made effective from 1st November, 2017. The revision introduced under that framework materially narrowed the differential between award staff and officers in salary and retiral consequences. The disparity became particularly acute at the lower officer levels and, in some situations, led to an inversion which the Bank itself later found necessary to address.

5. Mr. Sharma further submits that the issue of restoring a meaningful differential between clerical staff and officers was not raised for the first time in this litigation, but had been repeatedly taken up by the officers' side with the Bank. The grievance is that the Bank kept the issue under consideration over a period of time, yet eventually chose to introduce "Special Pay" for officers only from 1st August, 2024, although the anomaly

which it sought to address had arisen much earlier, namely on 1st November, 2017.

6. Mr. Sharma points to the contents of the e-circular dated 28th August, 2024. Under that circular, "Special Pay" has been granted to all permanent officers of the Bank irrespective of grade or scale, at two service-linked stages, and the circular expressly states that the component will rank for Dearness Allowance, House Rent Allowance and superannuation benefits including pension/NPS and gratuity. He submits that once the Bank itself has chosen to reckon this component for pensionary consequences, the exclusion of officers who retired after 1st November, 2017 but before 1st August, 2024 becomes manifestly unfair and constitutionally suspect.

7. The Petitioners then rely heavily on the speaking order dated 28th January, 2026. The order states that the provision of "Special Pay" has been introduced to protect the erosion of the differential gap in salary and pensionary benefits vis-à-vis award staff. According to the Petitioners, this is an acknowledgment by the Bank itself that the measure was introduced to cure a pre-existing distortion. On that basis, Mr. Sharma submits that the Bank cannot acknowledge the anomaly and yet fix a later date unrelated to its origin.

8. Building on that foundation, Mr. Sharma contends that the selection of 1st August, 2024 as the effective date is arbitrary and violative of Article 14 of the Constitution. He submits that it creates two classes out of the same body of officers: first, those who were in service on 1st November, 2017 but retired before 1st August, 2024, and second, those who continued in service until 1st August, 2024 or retired thereafter. Both groups formed part of the same officer cadre when the disparity arose, and there is no intelligible basis

to deny one set the benefit of the corrective step while extending it to the other.

9. Relying on the decision of the Supreme Court in ***V. Kasturi v. Managing Director, State Bank of India, Bombay & Anr***.[1], it is also submitted that pensioners forming part of the same class cannot be divided by an arbitrary line once a beneficial change bearing on pension is brought into force. The present case falls within that principle because the Bank has itself made "Special Pay" reckonable for pensionary and other superannuation benefits.

10. Mr. Kapoor for the Bank, on the other hand, argues that the "Special Pay" introduced with effect from 1st August, 2024 is a special compensatory provision settled at Bank level under the statutory and regulatory powers of the Bank. According to the Bank, it is not traceable to the Bipartite Settlement or the Joint Note, is not part of any retrospective salary revision, and applies only to officers who were in service on the date of its implementation. The Bank has therefore taken the position that officers who had retired prior to 1st August, 2024 had no legal or equitable right to claim the benefit.

11. Having heard counsel and considered the documents placed on record, this Court is not persuaded that the petition discloses a ground for interference under Article 226 of the Constitution. It is necessary to separate two things which the Petitioners seek to run together. The first is the background in which the Bank appears to have acted. The second is the legal source of the benefit actually created. The Petitioners may well be right in saying that the workmen-side revisions operating from 1st November, 2017

altered the relative position between award staff and officers and that the Bank later viewed that situation as requiring correction. The speaking order itself indicates as much. That, however, only explains the background. It does not, without more, answer the legal question before the Court.

12. The legal question is whether the Petitioners have shown an enforceable right in officers to receive this Special Pay from 1st November, 2017. On the material placed before the Court, the answer must be in the negative.

13. The 11th Bipartite framework concerns workmen staff. It revises the position of clerical and subordinate staff and gives certain components effect from 1st November, 2017. It also contemplates consequential adjustments and arrears within that framework. But the Petitioners have not been able to point to any provision in that settlement, or in any regulation applicable to officers, by which a corresponding Special Pay stood created for officers from that date. The petition therefore does not proceed on an accrued service entitlement which remained unpaid. It proceeds on a later measure introduced by the Bank in August 2024.

14. The e-circular dated 28th August, 2024 does not present itself as an implementation of an existing officer-side right from 1st November, 2017. It records a decision of the Executive Committee of the Central Board taken on 13th August, 2024 to introduce a "Special Pay" for all permanent officers irrespective of grade or scale. The circular fixes the stages, states the amount, provides that the component will rank for DA, HRA and superannuation benefits, and then makes it applicable with effect from 1st August, 2024. On a plain reading, the circular creates a fresh monetary

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[1] (1998) 8 SCC 30

component in service conditions with prospective effect.

15. The Petitioners place considerable emphasis on the Bank's acknowledgment that the measure was introduced to protect the erosion of the differential gap in salary and pensionary benefits vis-à-vis award staff. While that statement cannot be ignored, it also cannot be read in isolation. The speaking order goes on to say, with equal clarity, that the Special Pay was introduced as a special compensatory provision at Bank level, unconnected with the Bipartite or Joint Note, and applicable only to officers in service as on the date of implementation. Read as a whole, the speaking order does not treat the benefit as a deferred release of dues which had already accrued from 1st November, 2017. The fact that a measure is introduced to address an existing imbalance does not, by itself, convert it into a retrospective entitlement, absent a pre-existing enforceable right in that regard.

16. The Article 14 challenge also loses much of its force. Every prospective revision, allowance or service benefit necessarily has a date from which it begins to operate. A Court does not replace that date merely because another date appears more logical to the claimants. Interference is warranted where the chosen date is wholly capricious, or where it defeats an existing legal right, or where the measure in question is in truth a revision of an already accrued entitlement. That is not what is shown here.

17. The Petitioners say that the line drawn at 1st August, 2024 splits a homogeneous class of officers. However, the line here is between officers who were in service when the new compensatory component came into existence and those who had already retired before that date. In the context of a benefit created prospectively as part of service conditions, that

distinction cannot be said to be inherently unconstitutional.

18. The reliance on ***V. Kasturi*** does not assist the Petitioners in the present setting. The principle in that decision applies where an existing pensionary benefit available to a class of pensioners is subsequently liberalised, in which case such benefit cannot be confined only to those retiring after a particular date. The present case is materially different. Here, there is no amendment to the pension regulations, nor any general revision of the pension formula for all existing pensioners. What has been introduced is a fresh service-side component for officers in service from a specified date, one consequence of which is that it will rank for superannuation benefits for those who retire thereafter. This cannot be equated with an enhancement of an existing pensionary entitlement so as to extend it to those who had retired before the component came into existence.

19. The Petitioners also relied on the historical rationale that officer emoluments should maintain an appropriate differential over the clerical cadre. That may explain why the Bank considered it necessary, in 2024, to take corrective action. But it still does not establish that officers who had retired earlier acquired a vested right to demand the retrospective creation of a component which was neither payable nor in existence during their tenure of service.

20. The Court is also mindful that questions of pay structure, allowances, incentives and the date from which such measures should operate generally lie within the employer's policy domain, particularly where the employer is acting within a statutory and regulatory framework. Judicial intervention is warranted where a measure is contrary to statute, a binding settlement, *mala fide*, or manifestly arbitrary. The present case does not cross that threshold.

The Petitioners have shown a grievance. They have not shown a legal right enforceable in writ jurisdiction.

21. For these reasons, this Court finds no ground to interfere either with SBI e-circular dated 28th August, 2024 or with the speaking order dated 28th January, 2026.

22. The writ petition is accordingly dismissed. Pending applications, if any, also stand disposed of.

SANJEEV NARULA, J

APRIL 20, 2026/ab