

**No.4/90/2010-1FPPC/1223**  
**GOVERNMENT OF PUNJAB**  
**DEPARTMENT OF FINANCE**  
**(FINANCE, PENSION POLICY AND COORDINATION BRANCH)**

Dated Chandigarh, the 16<sup>th</sup> September, 2013

To

All Heads of Departments,  
Commissioners of Divisions,  
Registrar, High Court of Punjab and Haryana,  
District and Sessions Judges and  
Deputy Commissioners in the State.

**Subject: Counting of service of employees/retired employees of State Autonomous Bodies/  
Boards/ Corporations/ Universities etc. for the purpose of pension and pensioner  
benefits in Government Departments.**

Sir /Madam,

I have been directed to refer to the subject cited above and to say that in a Civil Writ Petition No. 9251 of 2002 filed by Sh. S.C. Chadha, ex-employee of PUNTEX, who was absorbed in the Government Department, the Hon'ble Punjab and Haryana High Court allowed counting of PUNTEX service for the purpose of pension and pensioner benefits. This matter went up to Hon'ble Supreme Court of India in SLP No. 23807 of 2009, where the High Court order was upheld. The decision was qua the parties and the verdict in this case was on the basis of the facts which were peculiar to the case.

2. However on the basis of this decision, various departments have referred cases to the Finance Department for allowing them to count such type of service in respect of certain employees of their departments. As such, the matter was under active consideration of the Government.

3. The matter has been examined minutely in view of the judgement. A detailed scrutiny of the order reveals that it is a judgement in personam and not judgement in rem. It relates to an employee of PUNTEX only and the Hon'ble High Court while passing orders have relied upon an undertaking given by the Finance Department in the case of employees of PUNTEX. As such, the order cannot be generalized for all such cases. Further, as per provisions of Rule 3.12 of CSR Vol II, the service of a Government employee does not qualify for pension unless it confirms three conditions given there under.

4. In view of the position, it is clear that those employees of Punjab Government who have served under PSUs, their previous service, rendered in the PSUs, it is not countable for the purpose of pension/pensioner benefits payable by the Government. The decision in the S.C. Chadha's case in view of the peculiar circumstances of the case is not applicable in general. Accordingly, it is reiterated that the cases may be dealt with strictly in view of the position explained above and whenever such case is presented in courts, defense on the plea of above quoted position may be taken in consultation with the Department of Finance to safeguard the interest of the Government.

5. Punjabi version of these orders will follow in due course.

**Yours faithfully,**

**Joint Secretary Finance**