THE FEDERAL CONSTITUTIONAL COURT OF PAKISTAN
(Appellate Jurisdiction)

PRESENT:
Justice Syed Hasan Azhar Rizvi
Justice Muhammad Karim Khan Agha

F.C.P.L.A. No(s).337-L, 341-L, 342-L and 353-L of 2026
(Against the judgment dated 19.05.2026 of the Lahore High Court, Lahore in ICA No.930 of 2026)

Managing Director/Secretary, PRTC, Transport House, Edgerton Road, Lahore and Others
(F.C.P.L.A. No.337-L of 2026)
Province of Punjab through Secretary Finance, Government of the Punjab, Civil Secretariat, Lahore and Others
(F.C.P.L.A. No(s).341-L, 342-L and 353-L of 2026)

... Petitioners

Versus

Rana Muhammad Saleem Khan Chohan and Others
(F.C.P.L.A. No.337-L of 2026)
Sohail Farooq Siddique and Others
(F.C.P.L.A. No.341-L of 2026)
Zaheer Ahmed & Others
(F.C.P.L.A. No.342-L of 2026)
Badar Ahmad Siddiqui & Others
(F.C.P.L.A. No.353-L of 2026)

... Respondents

For the Petitioners: Dr. Yaser Aman Khan, Addl. AG Punjab
(in all cases)
alongwith Mr. Khalid Iqbal, Law Officer, PRTC
Mirza Saleem Baig, Legal Assistant, PRTC

For the Respondents: Mr. Tipu Salman Makhdoom, ASC
(in all cases)
Malik Riaz Khalid Awan, ASC
(in FCPLA No.341-L & 353-L of 2026)

Date of Hearing: 23.09.2026

J U D G M E N T

Syed Hasan Azhar Rizvi, J.- Through these petitions, filed under Article 175F(1)(c) of the Constitution of the Islamic Republic of Pakistan, 1973 ('**Constitution**'), the petitioners seek leave to appeal against the consolidated judgment dated

19.05.2026 ('**impugned judgment**') passed by the Division Bench of the Lahore High Court, Lahore ('**High Court**'), whereby their Intra-Court Appeals ('**I.C.As.**'), against the judgment dated 11.12.2025 of the Single Bench of the High Court, were dismissed. By the latter judgment, the Single Bench had allowed the writ petitions filed by the respondents and directed the petitioners to restore the commuted portions of the respondents' pensions, together with all admissible annual increases, upon completion of fifteen years from their respective dates of retirement.

2. The relevant facts, briefly stated, are that the respondents were employees of the Punjab Road Transport Corporation ('**PRTC**'), who retired from service in 1997 under the Golden Handshake Scheme. Upon retirement, *one-half* of their gross pension was commuted and paid to them as a *lump sum*, while the remaining half continued to be paid as monthly pension. The respondents claimed that the commuted portion of their pensions ought to have been restored upon completion of fifteen years from their respective dates of retirement, i.e., in 2012. Their grievance was that restoration was effected in 2017 instead of 2012, thereby depriving them, according to their claim, of the commuted portion of their pensions, together with admissible annual increases, for the intervening period. They initially approached the competent authorities through representations seeking restoration with effect from the expiry of the said fifteen-year period. Upon rejection of their claims, they invoked the constitutional jurisdiction of the High Court by filing writ petitions. The Single Bench allowed their writ petitions through the consolidated judgment dated 11.12.2025. Aggrieved thereby, the petitioners preferred I.C.As., which were dismissed by the Division Bench through the impugned judgment. Hence, these petitions.

3. Learned counsel for the petitioners contended that the pensionary entitlements of the respondents were governed by the Punjab Civil Services Pension Rules, 1963 (‘**Rules of 1963**’), as adopted by the Board of Directors of the PRTC with effect from 01.10.1989. It was argued that these Rules prescribe a comprehensive statutory framework governing the commutation and restoration of pension, which must be followed in determining the respondents' entitlements. Under Rule 8.11(a), the commuted value of pension is calculated with reference to the employee's age next birthday at the time of retirement and the corresponding factor prescribed in the applicable Commutation Table. The period upon completion of which the commuted portion becomes restorable is determined under Rule 8.12, read with the applicable Commutation Table. Learned counsel maintained that neither the Rules of 1963 nor any other applicable law prescribed a uniform period of fifteen years for restoration, irrespective of the employee's age or the commutation factor applied at the time of retirement. The High Court, therefore, erred in disregarding the prescribed statutory mechanism and applying a uniform fifteen-year period, thereby recognising an entitlement not warranted by the governing Rules of 1963.

4. Elaborating upon the statutory scheme, learned counsel submitted that the Commutation Table prescribed under Rule 8.11(a) is based upon actuarial calculations and assigns different commutation factors according to the age next birthday of the retiring employee. Consequently, the period represented by the commuted value, commonly referred to as the ‘years’ purchase’, varies according to the applicable factor and does not necessarily correspond to fifteen years in every case. The interpretation adopted by the High Court, therefore, disregarded the age-specific factors

prescribed in the Commutation Table and rendered the statutory mechanism governing restoration of commuted pension ineffective. Learned counsel further argued that the High Court had placed undue reliance upon the earlier litigation concerning a former employee, namely *Mian Muhammad Ishaq*, although the judgments rendered therein neither examined the relevant provisions of the Rules of 1963 in their proper perspective nor declared that every retired employee of the PRTC was entitled to restoration upon completion of fifteen years. The dismissal of the Civil Petition and subsequent Review Petition by the Supreme Court in that case was erroneously treated as an authoritative determination of the controversy applicable to all similarly situated employees. According to learned counsel, those orders did not constitute a declaration of law within the contemplation of Article 189(2) of the Constitution. The finality attained by the earlier proceedings was confined to the parties thereto and could not, by itself, create an independent substantive entitlement in favour of other employees contrary to the governing Rules of 1963.

5. Learned counsel further contended that the High Court had misconstrued the scope of Article 25 of the Constitution by treating the relief granted to *Mian Muhammad Ishaq* as sufficient justification for extending similar relief to the respondents, without first determining whether they were legally entitled to such relief under the Rules of 1963. It was argued that the constitutional guarantee of equality before the law does not extend to 'negative equality', whereby an illegality or irregularity committed in one case is sought to be perpetuated in another. The principle of equality requires uniform application of the law and cannot be invoked to confer a benefit otherwise unavailable under the governing rules. Learned counsel further submitted that the respondents had

accepted the determination of their pensionary benefits, including the commuted value paid to them at the time of retirement, without raising any objection. Having approached the competent authorities after a considerable lapse of time, their claims were also liable to be declined on the grounds of delay, *laches* and acquiescence. It was, therefore, prayed that the petitions be allowed and the impugned judgment, as well as the judgment of the Single Bench of the High Court, be set aside.

6. Conversely, learned counsel for the respondents supported the impugned judgment and contended that the High Court had rightly directed restoration of the commuted portions of the respondents' pensions upon completion of fifteen years from their respective dates of retirement. It was submitted that the respondents, like *Mian Muhammad Ishaq*, were former employees of the PRTC who had retired under the same Golden Handshake Scheme in 1997 and were governed by the same Rules of 1963. The entitlement of *Mian Muhammad Ishaq* to restoration of his commuted pension after fifteen years had already been recognised by the High Court, and the judgment granting such relief was maintained in I.C.A. The Civil Petition and subsequent Review Petition preferred by the department were also dismissed by the Supreme Court. Learned counsel maintained that the controversy concerning restoration of commuted pension after fifteen years had thus attained finality, and the petitioners could not reopen the same question by reiterating their objections regarding the Commutation Table and the prescribed restoration period. It was further argued that, having unsuccessfully contested the entitlement of a similarly situated employee up to the Supreme Court, the petitioners could not justifiably deny the same benefit to the present respondents.

7. On the question of discriminatory treatment, learned counsel submitted that the respondents stood on an identical footing with *Mian Muhammad Ishaq* in respect of their service conditions and pensionary benefits under the Golden Handshake Scheme. Denial of restoration after fifteen years to the respondents, while extending the same benefit to *Mian Muhammad Ishaq*, would, therefore, amount to discriminatory treatment in violation of Article 25 of the Constitution. It was maintained that the principle of equality before the law required similarly situated employees to be treated alike, particularly where the entitlement of an employee belonging to the same class had already been judicially recognised. Learned counsel further argued that the High Court had neither created a new pensionary entitlement nor substituted the statutory scheme with an independent judicial formula; rather, it had followed an earlier judicial determination concerning the same class of employees, which had attained finality. The reliance placed by the petitioners upon the age-specific commutation factors under Rule 8.11(a) was, therefore, insufficient to justify a departure from the earlier determination, particularly when the applicability of the Rules of 1963 had already been considered in *Mian Muhammad Ishaq*. Reliance was also placed upon *Secretary, Government of Punjab, Finance Department and others v. M. Ismail Tayer and others* (**2014 SCMR 1336**), wherein the Supreme Court recognised the entitlement of pensioners to restoration of their commuted pension, together with admissible increases, upon completion of the applicable commutation period. Learned counsel maintained that the High Court had correctly applied the principles recognised in the said judgment.

8. As regards the objection of delay and *laches*, learned counsel submitted that the respondents were seeking enforcement of their pensionary rights, which, according to

them, had accrued upon completion of fifteen years from their respective dates of retirement. It was argued that mere lapse of time could not defeat an otherwise enforceable pensionary entitlement, particularly when the respondents had initially approached the competent authorities through representations before invoking the constitutional jurisdiction of the High Court. Learned counsel further maintained that the respondents had neither disputed the calculation nor challenged the payment of the commuted value of their pensions at the time of retirement. Their grievance was confined to the subsequent failure of the petitioners to restore the commuted portion upon expiry of the period claimed to be applicable to them. Consequently, acceptance of the commuted value at retirement could not be treated as acquiescence in the alleged subsequent denial of restoration. Learned counsel, therefore, maintained that the Single Bench had rightly allowed the writ petitions and that the Division Bench had correctly declined to interfere with that judgment. It was accordingly prayed that the present petitions be dismissed.

9. We have heard learned counsel for the parties and examined the impugned judgment in the light of the relevant statutory provisions and the principles governing the interpretation and application of judicial precedents. Admittedly, the respondents retired from the PRTC in 1997 under the Golden Handshake Scheme, and their pensionary benefits are governed by the Rules of 1963, as adopted by the Board of Directors of the PRTC with effect from 01.10.1989. At the time of retirement, they opted to commute *one-half* of their gross pension and received its capitalised value in a *lump sum*, subject to restoration in accordance with the applicable rules. The controversy, therefore, does not concern the respondents' underlying entitlement to restoration of their commuted pension, but the point of time at which such

entitlement accrues: whether upon completion of a uniform period of fifteen years from retirement or upon expiry of the period determined under the applicable Rules of 1963. To resolve this question, it is necessary *first* to examine the concept of commutation and the statutory framework governing its restoration.

10. To appreciate the legal nature of commutation and its subsequent restoration, it is necessary first to understand the character of pension itself. Pension is a retirement benefit earned by an employee in recognition of services rendered during employment. It is neither a *bounty* nor a matter of governmental grace, but a legal entitlement acquired upon completion of the prescribed qualifying service, subject to the conditions laid down in the applicable statutory provisions. Such entitlement cannot be arbitrarily withheld, reduced or denied except in accordance with law. This principle has consistently been recognised by the Supreme Court in *Government of N.W.F.P. through the Secretary to the Government v. Mohammad Said Khan and another* (**PLD 1973 SC 514**); *I.A. Sharwani and others v. Government of Pakistan through Secretary, Finance Division, Islamabad* (**1991 SCMR 1041**); *In re: Pensionary Benefits of the Judges of Superior Courts* (**PLD 2013 SC 829**); *Pakistan Telecommunication Employees Trust v. Muhammad Arif and others* (**2015 SCMR 1472**); and *Federation of Pakistan through General Manager, Pakistan Railways v. Shah Mohammad* (**2021 PLC (C.S.) 1427**). The recognition of pension as an enforceable legal right, however, does not dispense with the requirement that its extent, payment and restoration, where commutation has been exercised, must be determined in accordance with the governing statutory provisions.

11. While commutation is a mechanism whereby a retiring employee is permitted to convert a prescribed portion

of his pension into a *lump-sum* payment representing its capitalised value, calculated in accordance with the applicable commutation factor. In consideration of receiving that amount, the pensioner surrenders the corresponding portion of his monthly pension for the period determined under the governing rules, while continuing to receive the uncommuted portion. Such surrender, however, does not necessarily amount to permanent relinquishment of the commuted portion. Where the applicable statutory provisions recognise a right to restoration, the pensioner becomes entitled to resumption of payment of that portion upon completion of the prescribed commutation period. Thus, while commutation involves the capitalisation of a portion of pension in exchange for a *lump-sum* payment, restoration signifies the revival of its periodic payment upon fulfilment of the conditions prescribed by law.

12. The statutory framework governing commutation and restoration of pension is contained in Chapter VIII of the Rules of 1963. Rule 8.1 empowers the competent authority to sanction commutation of the permissible portion of pension into a *lump-sum* payment, whereas Rule 8.11(a) provides the Commutation Table for determining its capitalised value. The said Table prescribes different numerical factors corresponding to the 'age next birthday' of the retiring employee, each representing the number of years' purchased applicable to the commuted portion of pension. Rule 8.12, on the other hand, governs restoration of the commuted portion upon completion of the period determined in accordance with the applicable provisions. Read together, these provisions establish the statutory mechanism for determining both the capitalised value of commuted pension and the period upon completion of which its restoration becomes due. For ease of

reference, the applicable Commutation Table is reproduced hereunder:

COMMUTATION TABLE[1]
Under Rule 8.11(a)

Age Next Birthday	Number of Years Purchased	Age Next Birthday	Number of Years Purchased
20	50.6304	**50**	22.8911
21	49.6676	**51**	22.0658
22	48.7066	**52**	21.2563
23	47.7467	**53**	20.4638
24	46.7884	**54**	19.6896
25	45.8314	**55**	18.9348
26	44.8758	**56**	18.2002
27	43.9215	**57**	17.4860
28	42.9688	**58**	16.7925
29	42.0179	**59**	16.1191
30	41.0089	**60**	15.4649
31	40.1218	**61**	14.8290
32	39.1767	**62**	14.2105
33	38.2336	**63**	13.6090
34	37.2929	**64**	13.0239
35	36.3551	**65**	12:4549
36	35.4203	**66**	11.9017
37	34.4885	**67**	11.3643
38	33.5603	**68**	10.8428
39	32.6361	**69**	10.3371
40	31.7160	**70**	9.8472
41	30.8007	**71**	9.3729
42	29.8907	**72**	8.9142
43	28.9800	**73**	8.4708
44	28.0891	**74**	8.0427

13. The practical application of the foregoing statutory provisions and the Commutation Table reproduced above may be explained through a hypothetical illustration. Suppose an employee retires at the age of 49 years with a gross monthly pension of Rs. 100,000 and opts to commute 50% thereof. Since his age next birthday would be 50 years, the corresponding commutation factor of 22.8911, as prescribed in the applicable Commutation Table, would govern the calculation of the capitalised value of his

[1] Table introduced vide Notification No. F.D. (SR-III) 4-1/89, dated 1 March 1992, and applicable to the respondents, who retired from service in 1997'

commuted pension. Accordingly, the calculation would be as follows:

Commutation Table would be as follows:

Age at retirement	49 years
Age next birthday	50 years
Gross monthly pension	Rs. 100,000
Portion commuted (50%)	Rs. 50,000
Uncommuted monthly pension (50%)	Rs. 50,000
Commutation factor (age 50)	22.8911

Calculation of lump-sum commutation:

50,000 × 12 × 22.8911 = **Rs. 13,734,660**

Determination of restoration period:

The applicable commutation factor is 22.8911, representing 22 complete years and a fractional period of 0.8911 year, which is converted into months as follows:

0.8911 years × 12 = **10.6932 Months**

Since the fractional period exceeds six months, it is counted as one complete year in accordance with Rule 8.12(b). Accordingly, the restoration period would be as follows:

22 + 1 = **23 years**

Thus, in this hypothetical case, the period relevant to restoration would be 23 years, rather than a uniform period of fifteen years, subject to the applicable restoration provisions.

14. The preceding illustration demonstrates that the commutation factor prescribed for the pensioner's 'age next birthday' serves two related purposes: it determines the capitalised value of the commuted pension and provides the basis for ascertaining the period upon completion of which restoration becomes due. For the latter purpose, Rule 8.12(b) prescribes a rounding mechanism whereby a fraction of less than six months is disregarded, while a fraction of six months or more is counted as one complete year. As regards the extent of pension restorable, Rule 8.12(a) provides for restoration of

the commuted portion to the extent of one-fourth of full pension upon completion of the number of years for which its commuted value was paid. Subsequently, through *Notification No. FD.SR.III-4-115/91, dated 30.09.1991*[2], the Government of Punjab extended the benefit of restoration to the remaining one-fourth, thereby permitting restoration of the entire commuted portion of 50%, subject to completion of the prescribed period. Thus, the extent of pension restorable and the period upon completion of which restoration becomes due are two distinct matters. While the former is governed by Rule 8.12(a), read with the aforesaid notification, the latter is determined by the applicable commutation factor and the rounding mechanism prescribed under Rule 8.12(b). Consequently, depending upon the pensioner's age next birthday, the restoration period may be less than, equal to, or more than fifteen years. The Rules of 1963, therefore, do not prescribe a uniform restoration period of fifteen years for every pensioner.

15. It is significant to note that the Single Bench of the High Court, while rendering the judgment dated 11.12.2025, did not examine the controversy with reference to the statutory mechanism governing determination of the restoration period, as discussed hereinabove. Instead, it principally relied upon the earlier judgment in *Mian Muhammad Ishaq v. Managing Director and others* (W.P. No. 17382 of 2017) ('***Mian Muhammad Ishaq***'). A perusal of that judgment, available at page 65 of the paper book in C.P.L.A. No. 337-L of 2026, reveals that the petitioner therein had sought restoration of his commuted pension upon completion of fifteen years from retirement. In allowing the writ petition, the High Court relied upon the pension record of another

[2] https://employeeszone.com/download/restoration-of-pension-surrendered-in-lieu-of-gratuity-commutation-dated-30th-september-1991/

retired PRTC employee, namely *Muhammad Iqbal*, whose commuted pension had been restored, together with admissible increases, after fifteen years, without independently determining the restoration period applicable to the petitioner under the prescribed Commutation Table. Reliance was also placed upon the judgment of the Supreme Court in *Secretary, Government of Punjab, Finance Department and others v. M. Ismail Tayer and others* (2014 SCMR 1336) (‘***Ismail Tayer***’). On the strength of these considerations, the High Court proceeded on the premise that a retired employee became entitled to restoration of full pension, described as ‘double pension’, upon completion of fifteen years from retirement, and accordingly allowed the writ petition on the basis of equality under Article 25 of the Constitution and its understanding of *Ismail Tayer*.

16. The judgment rendered in *Mian Muhammad Ishaq* was subsequently challenged by the PRTC through I.C.A. No. 1283 of 2017, which was dismissed by the Division Bench of the High Court on 11.10.2018. Although the PRTC had averred that the commuted value of the pensioner's pension was calculated on the basis of a twenty-year period, the Division Bench did not accept that contention and maintained the relief granted by the Single Bench. Thereafter, Civil Petition preferred against the said judgment, was dismissed by the Supreme Court on 12.02.2021, while the subsequent Civil Review Petition was also dismissed on 27.07.2021. It was principally on account of the finality attained by these proceedings that the Single Bench, in the present case, treated restoration of commuted pension after fifteen years as a settled legal entitlement. The Division Bench, while dismissing the petitioners' I.C.As. through the impugned judgment, adopted substantially the same approach and considered the earlier determination applicable to similarly situated employees of the PRTC. The material question,

however, is whether the finality attained by the judgment in *Mian Muhammad Ishaq* also established a binding principle of law prescribing a uniform restoration period of fifteen years, irrespective of the applicable Rules of 1963.

17. The answer to the foregoing question requires a distinction to be drawn between the finality of a judicial determination and its binding effect as a precedent. Under Article 189(2) of the Constitution, a decision of the Supreme Court is binding upon all other courts, except this Court, to the extent that it decides a question of law or is based upon or enunciates a principle of law. The dismissal of a petition for leave to appeal does not, by itself, necessarily constitute an affirmation of every proposition of law contained in the judgment under challenge. The precedential effect of such an order depends upon the question of law, if any, actually decided or the principle of law enunciated by the Supreme Court while refusing leave. Thus, although the refusal of leave leaves the judgment under challenge undisturbed and final between the parties, it does not, merely by reason of such refusal, elevate the entire reasoning of that judgment to the status of a binding declaration of law under Article 189(2) of the Constitution. Similarly, the subsequent dismissal of a Review Petition does not, without an independent determination of a question of law, enlarge the precedential scope of the earlier order. Consequently, the dismissal of the Civil Petition and subsequent Review Petition in *Mian Muhammad Ishaq* cannot, merely on account of the finality attained by those proceedings, be construed as establishing a uniform restoration period of fifteen years for all retired employees of the PRTC. While the relief granted in that case remains final and binding between the parties thereto. Reference in this regard may be to *Pir Bakhsh v. the Chairman, Allotment Committee and others* (**PLD 1987 SC 145**). Thus,

the entitlement of the present respondents must be independently determined in accordance with the Rules of 1963 and the principles of law actually declared in the relevant judicial precedents.

18. It is equally necessary to examine the scope of the judgment in *Ismail Tayer*, upon which the High Court placed considerable reliance. The principal controversy before the Supreme Court in that case did not concern the determination of the period upon completion of which commuted pension becomes restorable. Rather, the question was whether pensioners, whose commuted pension had become restorable upon completion of the applicable period of fifteen years, were entitled to the benefit of pension increases sanctioned during the intervening period. The Supreme Court recognised that, upon expiry of the applicable commutation period, the pensioners became entitled to restoration of their commuted pension, together with admissible increases, thereby placing them at par with pensioners who had not opted for commutation. The reference to fifteen years in that judgment was made in the context of the restoration period applicable to the pensioners concerned and did not constitute a declaration of law prescribing the same period for every pensioner, irrespective of the governing statutory provisions. The principle emerging from *Ismail Tayer*, therefore, concerns the entitlement to admissible pension increases upon restoration of the commuted portion after completion of the applicable period. It does not dispense with the separate statutory requirement of determining when that period expires in accordance with the applicable Commutation Table, read with Rule 8.12(b) of the Rules of 1963.

19. Applying the foregoing principles to the present controversy, it becomes evident that the judgment in *Mian Muhammad Ishaq* proceeded on the premise that commuted

pension became restorable upon completion of fifteen years from retirement, without independently determining the period applicable to the petitioner therein under Rules 8.11 and 8.12 of the Rules of 1963. The fundamental deficiency in that approach was the treatment of a restoration period recognised in an individual case as a generally applicable entitlement, without examining whether the same period was warranted by the statutory provisions governing commutation and restoration of pension. Although the relief granted in *Mian Muhammad Ishaq* has attained finality between the parties thereto, that determination cannot be extended to the present respondents merely because they retired under the same scheme and were governed by the same Rules of 1963. Their entitlement to restoration from the dates claimed must rest upon the application of the prescribed statutory mechanism to their respective pension records, rather than upon the restoration period applied in the earlier litigation.

20. The reliance placed by the High Court upon the principle of equality enshrined in Article 25 of the Constitution also requires consideration. Undoubtedly, the constitutional guarantee of equality before the law and equal protection of the law requires that persons similarly situated be treated alike. However, this guarantee does not prohibit reasonable classification founded upon an *intelligible differentia* having a rational nexus with the object sought to be achieved by the law. In matters concerning restoration of commuted pension, employees governed by the same Rules of 1963 may nevertheless have different restoration periods, depending upon their respective ages next birthday at the time of retirement and the corresponding factors prescribed in the applicable Commutation Table. The distinction based upon the pensioner's age next birthday constitutes an *intelligible differentia*, while its direct relationship with the actuarial determination of the commuted value and the corresponding

restoration period establishes a rational nexus with the object of the statutory scheme. Such differentiation, being founded upon an objective criterion uniformly applicable to all pensioners governed by the same rules, cannot, merely because it results in different restoration dates, be regarded as discriminatory. The constitutional guarantee of equality requires uniform application of the governing statutory criteria, rather than identical outcomes irrespective of the conditions applicable to individual pensioners. Consequently, the respondents could not claim restoration upon completion of fifteen years solely on the ground that the same benefit had been extended to *Mian Muhammad Ishaq* or another retired employee of the PRTC. Article 25 guarantees equality before the law; it does not confer a right to equality in the misapplication of law.

21. Against the backdrop of the foregoing statutory and constitutional analysis, the reasoning adopted by the Division Bench of the High Court in the impugned judgment cannot be sustained. Instead of independently examining the respondents' entitlement under the Rules of 1963, the Division Bench principally relied upon the finality attained by the earlier proceedings in *Mian Muhammad Ishaq* and the principle of judicial consistency. Undoubtedly, consistency in judicial decisions is essential for maintaining certainty and stability in the administration of justice. However, the principle of judicial consistency cannot be applied mechanically, particularly where the entitlement claimed depends upon the application of statutory provisions to the individual circumstances of the parties. The Division Bench was required to determine whether the restoration period of fifteen years, recognised in *Mian Muhammad Ishaq*, was equally applicable to the present respondents under Rules 8.11 and 8.12 of the Rules of 1963. The finality of the earlier

determination did not relieve the Division Bench of its obligation to examine the statutory basis of the respondents' claims, particularly when the applicable Commutation Table prescribed different factors according to the age next birthday of individual pensioners. By treating the earlier determination as conclusive without undertaking that exercise, the Division Bench failed to address the material question upon which the respondents' entitlement to retrospective restoration depended. The impugned judgment, therefore, cannot be sustained on the ground of judicial consistency alone.

22. The objection raised by learned counsel for the petitioners regarding delay, *laches* and acquiescence also requires consideration. Pension is a continuing entitlement, and the non-payment of pensionary benefits lawfully due may give rise to a recurring cause of action. The mere passage of time, therefore, does not necessarily extinguish an otherwise enforceable pensionary right, although the question of arrears may remain subject to the applicable law. In the present case, the respondents' commuted pensions were restored in 2017, whereas they claim that restoration had become due upon completion of fifteen years from their respective dates of retirement. Their grievance essentially concerns the alleged non-payment of pensionary benefits during the intervening period. The acceptance of the capitalised value of commuted pension at the time of retirement cannot, by itself, constitute acquiescence in the subsequent denial of benefits which may have become lawfully payable. In these circumstances, the objections of delay, *laches* and acquiescence do not, on their own, furnish a sufficient ground for rejecting the respondents' claims. Nevertheless, the recurring nature of pensionary entitlement cannot establish a right to restoration from a date earlier than that prescribed by the governing rules. The respondents' claim to consequential arrears and admissible

increases must, therefore, be examined with reference to the dates on which restoration actually became due under the Rules of 1963.

23. In view of the foregoing discussion, we are of the considered view that the Single Bench of the High Court fell into error in directing restoration of the respondents' commuted pensions upon completion of a uniform period of fifteen years from their respective dates of retirement, without determining whether such period was applicable to them under the Rules of 1963. The Division Bench likewise erred in maintaining that determination, principally on the basis of the earlier judicial precedents and the principle of judicial consistency, without independently examining the respondents' statutory entitlements. The fundamental error underlying both judgments was the substitution of a uniform restoration period for the mechanism prescribed under Rules 8.11 and 8.12 of the Rules of 1963. Consequently, the judgments of both Benches, being founded upon an erroneous application of the relevant statutory provisions and judicial precedents, suffer from a material error of law and are, therefore, liable to be set aside.

24. Before parting with this judgment, it is clarified that the setting aside of the judgments of the High Court shall not prejudice the respondents' lawful entitlement to restoration of their commuted pensions under the Rules of 1963. Their respective restoration dates are to be determined with reference to their ages next birthday at the time of retirement, the corresponding factors prescribed in the applicable Commutation Table, and the rounding mechanism provided under Rule 8.12(b) of the Rules of 1963. Any consequential entitlement to arrears and admissible pension increases arising from an earlier restoration date shall likewise be governed by the applicable law, including any legal

restrictions on the recovery of past monetary benefits. No order as to costs.

25. Above are the reasons of our short order dated 23.09.2026, which is as follows:

> *'Heard the learned counsel for the parties. For the detailed reasons to be recorded later on, all the titled petitions are converted into appeals and allowed. The impugned judgment dated 19.05.2026 passed in ICA No.930 of 2026 and the judgment dated 11.12.2025 passed in writ petition No.24682 of 2025 are set aside.'*

Judge

Judge

Islamabad, the
16th November, 2026
APPROVED FOR REPORTING
*M Farhan/**