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W.A.NO.609 OF 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.08.2026

CORAM

**THE HON'BLE MR.JUSTICE S.M.SUBRAMANIAM
AND
THE HON'BLE MR.JUSTICE KRISHNASWAMY GOVINDARAJAN**

**W.A.NO.609 OF 2024
AND
CMP NO.4311 OF 2024**

- 1.The Chairman cum Managing Director
New India Assurance Co. Ltd.,
87, Mahatma Gandhi Road, Fort,
Mumbai – 400 004.
- 2.The Chairman cum Managing Director
United India Insurance Co. Ltd.,
Registered and Head Office
24, Whites Road,
Chennai – 600 014.
- 3.The Chairman cum Managing Director
Oriental Insurance Co. Ltd.,
Oriental House
A25/27, Asaf Ali Road,
New Delhi – 110 002.
- 4.The Chairman cum Managing Director
National Insurance Co. Ltd.,
3, Middleton Street,
Kolkatta – 700 071.

... Appellants

-VS-

- 1.Dr.G.Venkataiah



2.Dr.D.Ramadoss

3.Dr.M.Selvaraj

4.Dr.S.Ashokkumar

5.Union of India
Rep. By the Secretary
(Department of Financial Services)
Ministry of Finance, Govt. of India,
Jeevan Deep Bldg,
Parliament Street,
New Delhi – 110 001.

6.The Chairman
General Insurance Public Sector Assoc., (GIPSA)
C/o. General Insurance Corporation of India
Jeevan Tara Building, Ground Floor,
Sandsad Marg,
New Delhi – 110 001.

... Respondents

PRAYER: Writ Appeal filed under Clause 15 of Letters Patent, praying to set aside the order dated 20.11.2023 passed in W.P.No.3429 of 2021.

For Appellants : Mr.A.L.Somayaji
Senior Counsel
Assisted by Mr.V.Perumal

For Respondents–1 to 4 : Mr.R.Ravi

For Respondent – 5 : Mr.G.Venkatesan
Senior Panel Counsel



J U D G M E N T

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(Judgment of the Court was made by S.M.Subramaniam, J.)

Under assail is the writ order dated 20.11.2023 passed in W.P.No.3429 of 2021. New India Assurance Company Ltd., United India Insurance Company Limited, Oriental Insurance Company Limited and National Insurance Company Limited are the appellants jointly instituted the present intra-court appeal under Clause 15 of the Letters Patent.

2.Facts involved and the service particulars of the respondents 1 to 4 / retired employees of the Insurance Companies are not seriously disputed between the parties. Thus, this Court thought it fit to consider the legal issue raised in the present *lis* which would pave way for deciding the eligibility of the respondents 1 to 4 for grant of additional qualifying services in the context of Clause 26 of the General Insurance (Employees') Pension Scheme, 1995. Clause 25 of the General Insurance (Employees') Pension Scheme, 1995 reads as under:

“26. Addition to qualifying service in special circumstances - An employee shall be eligible to add to his service qualifying for superannuation



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pension (but not for any other class of pension) the actual period not exceeding one-fourth of the length of his service or the actual period by which his age at the time of recruitment exceeded twenty-eight years, or a period of five years, whichever is less, if the service or post to which the employee is appointed is one -

(a) for which post-graduate research, or specialist qualification or experience in scientific, technological or professional fields, is essential; and

(b) to which candidates of more than twenty-eight years of age are normally recruited, and

(c) for which the candidate was given age relaxation over and above the maximum age limit fixed by the Corporation or the Company on account of his possessing higher qualification or experience:

Provided that this concession shall not be admissible to an employee unless his actual qualifying service at the time he quits the service in Corporation or a Company, as the case may be is not less than ten years:



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Provided further that this concession shall be admissible only if the recruitment procedure in respect of the said service or post contains a specific provision that the service or post is one which carries the benefit of this paragraph.”

3.The learned Senior Counsel appearing on behalf of the appellants Mr.A.L.Somayaji would interpret the scope of Clause 26 by contending that sub-clause (a), (b) and (c) must be read cumulatively to extend the benefit and to fix the eligibility of an employee to get the benefit of additional qualifying services in certain special circumstances. The language employed between the clauses are “**and**” and, therefore, it cannot be separated. Accordingly, eligibility cannot be determined merely by applying one of the conditions stipulated under Clause 26.

4.The learned Senior Counsel states that though the Writ Court agreed that the conditions are to be read conjointly and applied the provisions of the Act, it held that the benefit of additional qualifying services are to be extended to the respondents 1 to 4 *dehors* the conditions stipulated under Clause 26. Thus, there is a perversity and the decision in the impugned writ order is running counter to the eligibility criteria fixed under Clause 26 of the General Insurance (Employees’)

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Pension Scheme, 1995. Once the Writ Court made a finding that the respondents 1 to 4 did not produce any specific proof to show that the General Insurance (Employees') Pension Scheme, 1995 is applicable to them, there is no reason to extend the benefit of Clause 26 and even the findings of the Writ Court in paragraph 16 is running contrary.

5.The learned counsel for the respondents 1 to 4 Mr.Ravi would strenuously oppose by stating that Clause 26 is to be read in a manner decided by the learned Single Judge of this Court in **V.Vijayan and Others Vs. The Chairman and Managing Director, Bank of Baroda and Others** in **W.P.Nos.598, 725, 20913 and 25585 of 2011 dated 31.01.2014** which was reversed by the Division Bench of this Court. The Hon'ble Supreme Court finally confirmed the order of the learned Single Judge of this Court in the said case. The said case was decided mainly on the ground that Clause 26(c) is to be construed as stand-alone provision and it cannot be read along with Clause (a) and (b). In the event of reading Clause (c) as a stand-alone provision, then the respondents 1 to 4 can be fit in with the parameters contemplated under Clause 26 and consequently, they would be eligible to get the benefit of additional qualifying services. In other words, respondents 1 to

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4 satisfy the conditions stipulated under Clause 26 (a) and (b). Thus, Clause (c) if separated, the respondents 1 to 4 are eligible for securing additional qualifying services.

6.The learned counsel for the respondents 1 to 4 would contend that the learned Single Judge considered this interpretation pragmatically and applied the same and granted the relief. That apart, another learned Single Judge of this Court has also reiterated the said interpretation and thus, no further deliberation is required to ascertain the eligibility of the respondents 1 to 4 to get the benefit under Clause 26 of the General Insurance (Employees') Pension Scheme, 1995.

7.This Court has considered the rival submissions made between the parties to the *lis* on hand.

8.A close reading of Clause 26 of the General Insurance (Employees') Pension Scheme, 1995 would amplify that the candidate must be appointed to a post for which a Post Graduate Research or specialist qualification or experience in scientific technological or professional fields is essential **“and”** to which candidates of more than 28 years of age are normal and for which the candidate was given age

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relaxation over and above the maximum age relaxation fixed for the Corporation or the Company on account of his possessing higher qualification or experience. The thought process undertaken by the respondents 1 to 4 counsel is that in the recruitment notification, the age limit has been prescribed as beyond 28 years and additional relaxation of five years is granted to Scheduled Caste / Scheduled Tribe candidates. In the event of reading Clause (c) along with Clause (a) and (b) then those candidates who were appointed beyond the age of 28 years and within the age limit contemplated under the recruitment notification are denied the benefit of additional qualifying services under Clause 26 of the General Insurance (Employees') Pension Scheme, 1995. This exactly is the reason why the learned two Single Judges have held that sub-clause (c) is to be construed as a stand-alone condition.

9.Per contra, learned Senior Counsel appearing on behalf of the appellants would submit that the language employed is “**and**” and therefore, all the three conditions must be fulfilled cumulatively so as to extend the benefit. Courts are not expected to read the conditions beyond its scope, so as to confer any additional services right and therefore, the writ order impugned is to be set aside.



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10.Considering the arguments of both sides, the general principles in the matter of pension rules are that pension, though given the status of a right under the constitution still exists within the contours of the scheme framed by the employer under relevant rules, in the present case, General Insurance (Employees') Pension Scheme, 1995. As per the provisions of the General Insurance (Employees') Pension Scheme, 1995. actual services rendered by an employee is to be reckoned as qualifying services for payment of pension. Clause 26 by itself is an additional benefit over and above the counting of regular services, this cannot be taken as a ladder to claim the further benefits without fulfilling the conditions stipulated under Clause 26.

11.The distinction between the Bank of Baroda (Employees') Pension Regulations, 1995 and the General Insurance (Employees') Pension Scheme, 1995 is that the word “**and**” in sub-clause (b) is missing under Bank of Baroda (Employees') Pension Regulations, 1995 and the said word is present in the General Insurance (Employees') Pension Scheme, 1995.

12.Counting of additional qualifying services in special circumstances by itself if a concession extended by an employer. The

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right of qualifying services raised based on the actual services rendered.

Therefore, the concession granted is to be implemented scrupulously based on the terms and conditions stipulated. It is beyond the realm of the powers of the judicial review of the High Court to expand the scope of such concessional schemes. Therefore, the High Court is expected to adopt the plain language employed in General Insurance (Employees') Pension Scheme, 1995 so as to extend the benefit and in the present case, the concessional clause i.e., Clause 26 contemplated for providing additional qualifying services in special circumstances in respect of the employees who all are satisfying the conditions stipulated under Clause 26(a) to (c).

13.The case laws relied on by the learned counsel for the respondents are relating to Bank Pension Scheme and therefore, relying on the said Scheme, the scope of Pension Scheme for Insurance Companies cannot be considered. Each Pension Scheme is to be read with reference to the clauses and the conditions stipulated.

14.In respect of the writ order impugned, in paragraph 16, the learned Single Judge found that the respondents 1 to 4 did not produce any specific proof to show that the 1995 Scheme is applicable to



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them, that is, in the context of Clause 26. However, taking note of the fact that the respondents 1 to 4 are governed under the General Insurance Business (Nationalization) Act, 1972 and in recognition thereof, the benefit of counting of additional qualifying services are extended for implementing the Pension Scheme under the General Insurance (Employees') Pension Scheme, 1995 and application of General Act would not apply.

15.Factually, in the present case, it is not in dispute that the respondents 1 to 4 have not fulfilled all the conditions cumulatively and therefore, this Court could able to arrive at an irresistible conclusion that there is perversity in the writ order impugned. Consequently, the writ order impugned is set aside and the writ appeal stands allowed. However, there shall be no order as to costs. Consequently, connected Civil Miscellaneous Petition is closed.

[S.M.S., J.]

[K.G.R., J.]

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Index : Yes
Speaking Order : Yes
Neutral Citation : Yes
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S.M.SUBRAMANIAM, J.

AND

KRISHNASWAMY GOVINDARAJAN, J.

TK

To

- 1.The Secretary
Union of India
(Department of Financial Services)
Ministry of Finance, Govt. of India,
Jeevan Deep Bldg, Parliament Street,
New Delhi – 110 001.
- 2.The Chairman
General Insurance Public Sector Assoc., (GIPSA)
C/o. General Insurance Corporation of India
Jeevan Tara Building, Ground Floor,
Sandsad Marg, New Delhi – 110 001.

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