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

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Date of Decision: **16.04.2026**

Punjab Markfed Retired Employees Association (Regd.)

.....Petitioner

VERSUS

State of Punjab and others

..Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present : Mr. Shiv Kumar and Mr. Lovedev Singh, Advocates for the petitioner.

Mr. Amit Shukla, DAG, Punjab.

Mr. Vinod Polist, Advocate for respondents No.3 and 4.

HARPREET SINGH BRAR, J. (Oral)

1. The present civil writ petition has been filed under Articles 226/227 of the Constitution of India for issuance of a writ in the nature of Mandamus directing the Respondents to grant post-retirement medical reimbursement facility to the members of the Petitioner-Association/retired employees of Respondent No. 4-MARKFED at par with the retired employees of the Government of Punjab and other similarly situated Boards/Corporations/Autonomous Bodies of the State of Punjab, in terms of Rule 4.3 read with Rule 5.7 of the Common Cadre Rules, 1990

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(ANNEXURE P-3), and in light of the binding judgments dated 06.10.2016 (ANNEXURE P-6), 19.05.2022 (ANNEXURE P-7) and 22.08.2024 (ANNEXURE P-9) passed by this Hon'ble Court and the judgment dated 19.09.2022 (ANNEXURE P-8) passed by the Hon'ble Supreme Court of India;

Further, it is prayed to issue an appropriate writ, order or direction directing the Respondents to extend the said medical reimbursement benefits to the members of the Petitioner-Association/retired employees of Respondent No. 4-MARKFED at par with the retired employees of the Government of Punjab and other similarly situated State-controlled Boards/Corporations, in accordance with the statutory service rules and settled legal position; along with the prayer to grant provisional medical reimbursement facility to the members of the Petitioner-Association during the pendency of the present writ petition, in the interest of justice.

CONTENTIONS

2. Learned counsel for the petitioner *inter alia* contends that the members of the petitioner-Association are retired employees of respondent - federation and have rendered long and dedicated service to respondent - federation throughout their careers and have retired upon attaining the age of superannuation from various posts. He refers to Rule 4.3 of the Punjab State Cooperative Supply and Marketing Federation Employees (Common Cadre) Service Rules:1990 (herein after Rules of 1990), which governs medical benefits, and submits that the appointment letters issued to these employees

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explicitly stipulate that their service conditions shall be governed by the said Rules. Learned counsel further contends that Rule 5.7 of the Rules of 1990, stipulates that if the Rules are silent on any issue, the Punjab Government Rules/instructions on that issue shall apply. Learned counsel further submits that the denial of post-retirement medical reimbursement to the retired employees of MARKFED, while the same is being extended to serving employees and to retired employees of other State-controlled Boards/Corporations, is arbitrary, discriminatory, and violative of Articles 14 and 21 of the Constitution of India. Relying on the judgments rendered by this Hon'ble Court in ***Housing Board Haryana vs. Krishan Chander, LPA No.1865-2017***, decided on 19.05.2022, and the judgment of the Hon'ble Supreme Court in ***Housing Board Haryana vs. Yatindra Kumar Gupta, SLP (Civil) No.14826 of 2022***, decided on 19.09.2022, the learned counsel submits that the issue is no longer *res integra* and that retired employees are entitled to medical reimbursement at par with serving employees and State Government retirees and the denial of this benefit is arbitrary, discriminatory, and violative of Articles 14 and 21 of the Constitution of India.

3. Reply by way of affidavit of Amandeep Singh, Law Officer, The Punjab State Cooperative Supply and Marketing Federation Limited on behalf of respondents No.3 and 4 filed in the Court today, which is ordered to be taken on record. Registry is directed to place the same at an appropriate place.

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3.1 *Per contra*, learned counsel for the respondents submits that reimbursement of medical expenses is a matter of policy governed by the Rule 4.3 of the Rules of 1990, which does not extend such benefits to retired employees. Consequently, in the absence of any enabling provision, the petitioners are not entitled to claim the same.

OBSERVATION & ANALYSIS

4. I have heard learned counsel for the parties and perused the records with their able assistance.

5. It transpires that the petitioners are retired employees of the respondent - federation. It is undisputed that the service rules of the respondent - federation are governed by the Punjab State Cooperative Supply and Marketing Federation Employees (Common Cadre) Service Rules:1990 (Rules of 1990).

6. Rule 4.3 of the Rules of 1990, governs the reimbursement of medical expenses, which is reproduced below for reference

“4.3 The employees of the federation :-

i) The employees of federation shall be paid such fixed medical allowance as may be fixed by the Board of Directors from time to time with the approval of the R.C.S. Punjab for outdoor treatment of their family (including parents) wholly dependent on them Provided further that the Managing Director shall be competent to adopt any other instructions issued by the Punjab Government for reimbursement of medical expenses incurred as out-door patients on Dentures,

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Scanning/Pathological/clinical tests/X-Rays etc. Essential for treatment and recovery.

ii) The employees of the federation shall be entitled for reimbursement of medical expenses on indoor treatment of their own and members of their own family (including parents) wholly dependent upon them in a Govt. Hospital/P.G.I Chandigarh and any other Hospital approved by the Punjab Government as per entitlement of Punjab Government employees. Provided further that Managing Director shall be competent to allow the reimbursement for treatment in private Hospitals in emergency.

iii) The deputationists shall be entitled to this facility according to their terms and conditions of deputation.”

7. The present petition revolves around the foundational question of whether the term “employees” in Rule 4.3 of the Rules of 1990, for the purpose of medical reimbursement, encompasses both serving and retired employees, or is confined only to serving employees.

8. The issue in the present petition is no longer res - integra. A Division Bench of this Court in **LPA No.1865-2017**, titled as **Housing Board Haryana, Panchkula through Chairman and another vs. Krishan Chander** and others, decided on 19.05.2022 has categorically held that financial hardship cannot be a ground to deny legitimate medical

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reimbursement benefits to retired employees when the governing service conditions place them at par with serving employees. The said judgment has also been affirmed by the Hon'ble Supreme Court in ***Housing Board Haryana and others vs. Yatindra Kumar Gupta and others***, passed in ***SLP (Civil) No.14826 of 2022***, decided on 19.09.2022, wherein it was explicitly held that retired employees are entitled to medical reimbursement at par with State Government employees and serving employees of the Board. The operative part of the said judgment, reads as follows:-

“We agree with the reasoning in the impugned judgment that the retired employees of the appellant Board are entitled to medical reimbursement at par with the State government employees and the in-service employees of the Board. The appointment letter of the retired employees is clear that they would be entitled to benefits as applicable to State government servants. As per Clause 7 of the appointment letter, the employees of the Board are governed by the rules applicable to the Haryana government employees. Regulation 13 of the Haryana Housing Board (Recruitment & Conditions of Service of Officers and Employees) Regulations, 2006 also states that in respect of pay, leaves and other matters not provided for in the regulations, the employees of the Board shall be governed by the corresponding rules of the State government.

On the interpretation of the notification dated 28.01.2020, which was issued by the Housing Department, Haryana, we agree with the High Court that the benefit of medical reimbursement is made available to the employees of the Housing Board, Haryana, and therefore to single out the retired employees to deny them this benefit, contrary to the terms of the appointment letter and the 2006 Regulations, would be wrong. Payment of a lump sum amount under

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the contributory provident fund scheme, was not a one-time payment towards medical reimbursement. In our opinion, medical reimbursement has no link with the contributory provident fund scheme. The respondents are not seeking pension. Contributory provident fund did not subsume medical reimbursement. The High Court was, therefore, justified and correct in issuing the said directions. We hope and trust that the petitioner - Board will give benefits of the judgment to all retirees of the Board.”

(emphasis added)

9. Additionally, this court while dealing with a similar issue in ***Gurcharan Dass and others vs. State of Haryana CWP-19672-2025*** has observed that any attempt to create two artificial classes i.e. serving and retired employees, for the purpose of medical reimbursement has repeatedly been held to be violative of Article 14 of the Constitution of India. As such any resolutions applicable to “employees” of the federation must necessarily include retired employees unless expressly excluded.

10. Further, this Court cannot lose sight of the fact that **a public body such as the respondent - federation cannot shrug off its responsibility to extend the medical reimbursement benefits to its retired employees by simply citing financial difficulties. The Corporation has availed the services of these employees during the prime and youthful years of their lives. After retirement, when age related health problems begin, these employees need medical care and reimbursement the most. To deny medical reimbursement, at this stage, is wholly arbitrary and unreasonable.** The respondents have not been able to point out any rule,

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regulation or policy to show that retired State Government employees, who form the benchmark for parity under the governing resolutions, are treated differently. In the absence of any such intelligible differentia, placing retired employees of the respondent - corporation, in a disadvantaged class, is constitutionally impermissible.

CONCLUSION

11. In view of the above the present petition is allowed. The respondent - federation is directed to treat the retired and serving employees alike for the implementation of Rule. 4.3 of the Rules of 1990, for the purpose of medical reimbursement, consequently granting the petitioners benefit of the same.

12. Pending miscellaneous application, if any, also stands disposed of.

(HARPREET SINGH BRAR)
JUDGE

16.04.2026

Puneet Chawla

Whether speaking/reasoned. : Yes/No

Whether Reportable. : Yes/No