JUDGEMENT SHEET

IN THE ISLAMABAD HIGH COURT, ISLAMABAD

JUDICIAL DEPARTMENT

Writ Petition No. 3623 of 2026

Javaid Khan

VERSUS

Pakistan Internaional Airlines Holding Company Limited (PIAHCL) through its Chief Executive Officer, etc.

PETITIONER BY:	Mr. Muhammad Alee, Advocate
RESPONDENT BY:	Mr. Fahad Khan Tareen, Assistant Attorney General Mirza Haseeb H. Baig, Manager Legal and Mr. M. Faizan, PIAHCL .
DATE OF HEARING:	25.09.2026

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AYYAZ SHAUKAT, J:- Through this petition under Article 199 of the Constitution of the Islamic Republic of Pakistan, 1973 (the **"Constitution"**), the petitioner, a retired General Manager of the erstwhile Pakistan International Airlines Corporation, seeks a direction to the respondents to release his pension, together with arrears, from the date of his retirement, and to restore medical facilities for himself and his wife. He further prays that he be treated on a par with similarly placed retired employees and that the officials responsible be proceeded against.

2. The material facts are that the petitioner served Pakistan International Airlines Corporation (**"PIAC"**) for about thirty-five years. By letter dated 13.09.2005, he was retired from service with effect from 14.09.2005 in the course of a re-organisation. He was allowed, as a lump sum, his salary, allowances and perquisites up to the age of sixty years, together with medical and passage facilities as admissible under the rules. The letter stated that "the normal retirement benefits of Provident Fund,

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Pension and/or Gratuity are paid to you as per applicable rules". The petitioner asserts that his pension, payable from August 2007, has never been paid notwithstanding his requests of 2007 and 2008. He also complains that his and his wife's names were not forwarded to State Life Insurance Corporation (**"SLIC"**) when the post-retirement medical cover was shifted to it in early 2026. His representations of April to June 2026 remained unanswered.

3. Learned counsel for the petitioner contends that pension is a vested right and forms part of the right to life under Article 9 of the Constitution; that it was withheld without any notice, inquiry or order; and that such a claim is cognisable in writ jurisdiction irrespective of whether the service rules of the employer are statutory. He relies upon ***Muhammad Rafiq v. Vice-Chancellor, Allama Iqbal Open University and others*** **(2023 PLC (C.S.) 1143)**, ***Zafar Ullah Khan and others v. Federation of Pakistan and others*** **(2025 PLC (C.S.) 1462)**, and the order of the Supreme Court in ***Muhammad Usman v. Federation of Pakistan*** **(Civil Petition No.4065 of 2024)**.

4. Conversely, learned Assistant Attorney General contends that the service of PIAC employees, including pension and medical benefits, was never governed by statutory rules, that the relationship was one of master and servant, and that the petition is therefore not maintainable. On the facts, he submits that the pension was stopped in 2007 in consequence of prosecution action approved against the petitioner in respect of alleged tax evasion at the London Station; that the petitioner has received his Provident Fund and commutation/gratuity; that a recovery suit arising from the same matter is pending against him at Karachi; that the petitioner has suppressed these material facts; and that he approached this Court after a delay of

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eighteen years. He relies on the judgments of the Supreme Court discussed below.

5. The Defence Division, in its report filed on behalf of respondent No.3, has stated that PIA Holding Company Limited (**"PIAHCL"**) enjoys complete autonomy in its administrative functions and internal affairs, that its policy decisions are taken by its Board, and that the Ministry has no role in its affairs.

6. Learned counsel for the parties have been heard and the record has been perused with their assistance.

7. With regard to the medical facilities, respondent No.1 has stated in its comments that, on receipt of amended data from Pakistan International Airlines Corporation Limited, the petitioner's name has been restored to the list of SLIC beneficiaries and that he will receive medical facilities under the Board-approved SLIC agreement. The prayer relating to the petitioner's medical facilities is, to that extent, disposed of in terms of the statement of respondent No.1.

8. The objection to maintainability goes to the root of the matter and must be determined at the outset. The petitioner's claim to pension flows from his employment with PIAC. The retirement letter itself provides that his retirement benefits are payable "as per applicable rules". The claim has been presented as arising under the internal regulations of PIAC. The petitioner has not identified any statutory rule on which his claim is founded. The status of those regulations is no longer res integra. In ***Pakistan International Airline Corporation and others v. Tanweer-ur-Rehman and others*** **(PLD 2010 SC 676),** the Hon'ble Supreme Court referred with approval to its earlier decision in ***Raziuddin v. Chairman, PIAC*** ***(PLD 1992 SC 531)*** that there was *"nothing on record to indicate that the above regulations have been framed with the previous sanction of the Central*

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Government or that they were gazetted and laid before the National Assembly in terms of section 31 of the Act. In this view of the matter, the Regulations cannot be treated as statutory rules…". The relevant enactment is the Pakistan International Airlines Corporation Act, 1956.

9. The legal consequence of that position stands settled by the Hon'ble Supreme Court in **Tanweer-ur-Rehman** supra. Notwithstanding its holding that PIAC was a person performing functions in connection with the affairs of the Federation, the Court held:

> *"But as far as the cases of the employees, regarding their individual grievances, are concerned, they are to be decided on their own merits namely that if any adverse action has been taken by the employer in violation of the statutory rules, only then such action should be amenable to the writ jurisdiction. However, if such action has no backing of the statutory rules, then the principle of Master and Servant would be applicable and such employees have to seek remedy permissible before the Court of competent jurisdiction."*

The Court concluded that *"although the appellant-Corporation is performing functions in connection with the affairs of the Federation but since the services of the respondent-employees are governed by the contract executed between both the parties ... and not by the statutory rules framed under section 30 of the Act, 1956 with the prior approval of the Federal Government, therefore, they will be governed by the principle of Master and Servant."* Significantly, some of the officers in that case were retired from PIAC by letters dated 13.09.2005, the very date of the petitioner's own retirement letter. The Supreme Court held that they were governed by the principle of master and servant. The material consideration is the legal basis of the petitioner's claim, rather than the coincidence of the dates of retirement.

10. The argument that the right to pension is part of the right to life, and can therefore be enforced in writ jurisdiction irrespective of the nature of

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the rules, was considered by the Supreme Court in ***Abdul Wahab and others v. HBL and others*** **(2013 SCMR 1383)**. The Court accepted that the right to life includes the right to livelihood, but held:

> *"However, in those cases where the employment/service(s) is not regulated by any law, as in the present case it is admitted position that Rules 1981 are non-statutory (emphasis supplied), and thus not a law, rather contractual stipulations, and no specific forum is designated for the resolution of such service issues, therefore an infringement of any condition of such a contract shall at the most entitle and clothe the employee to avail his ordinary remedy for the breach of the contract and on account of wrongful action against him, before the court of plenary jurisdiction. In such a situation, it cannot be urged that the fundamental right of the employee has been violated conferring upon him a right to enforce the same..."*

The Court further cautioned that where a case is not made out, *"jurisdiction should not be exercised on the plea of pity, compassion and humanitarian reasons only (alone)."*

11. The same principle was restated in ***Pakistan Defence Officers' Housing Authority and others v. Lt. Col. Syed Jawaid Ahmed*** **(2013 SCMR 1707)**. Paragraph 50(ii) of that judgment reads:

> *"Where conditions of service of employees of a statutory body are not regulated by Rules/Regulations framed under the Statute but only Rules or Instructions issued for its internal use, any violation thereof cannot normally be enforced through writ jurisdiction and they would be governed by the principle of 'Master and Servant'."*

The Hon'ble Supreme Court applied the same principle in ***Pakistan Telecommunication Company Limited v. Iqbal Nasir and others*** **(PLD 2011 SC 132)**, where the writ petitions of the employees were held not maintainable because their services were not governed by any statutory rules. In ***Syed Nazir Gillani v. Pakistan Red Crescent Society and another*** **(2014 SCMR 982)**, the review petitioner relied on clauses (i) and

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(iv) of the same paragraph to argue that a writ lies whenever an organisation violates its own rules. The Supreme Court rejected that plea and reaffirmed clause (ii) as quoted above. The contention that the respondents acted without notice or hearing therefore does not, by itself, open the door of writ jurisdiction where the relationship is governed by non-statutory rules.

12. The judgment most directly on point is ***PIA Corporation v. Syed Suleman Alam Rizvi and others*** **(2015 SCMR 1545)**. There, retired employees of PIAC claimed post-retirement monetary benefits, namely leave encashment and increments. The High Court of Sindh allowed their petition and directed payment. The Hon'ble Supreme Court set aside that judgment and held:

> *"8. There is a plethora of judgments to the effect that no petition lies in the matters pertaining to the terms and conditions of service of employees of a Corporation, where such terms and conditions are not governed by statutory rules. It is an admitted position that the terms and conditions of the employees of the appellant Corporation are not governed by any statutory Rules, and is now well settled that the relationship between the appellant Corporation and its employees is that of a "master and servant". ..."*
>
> *"9. ... The private respondents may however, if so advised, file suit for redressal of their grievance before the appropriate forum, which may, keeping in view that the matter has already been delayed inordinately and also that the private respondents are of advance ages, be disposed of, as expeditiously, as possible."*

The claimants there, too, were retired PIAC employees of advanced age, seeking post-retirement dues. The Hon'ble Supreme Court nonetheless did not treat their age or the monetary nature of their claim as a ground to entertain a writ petition and relegated them to a civil suit. The present case is no different in principle.

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13. The law was recently restated in ***General Manager, Punjab Provincial Cooperative Bank Ltd. and others v. Ghulam Mustafa and others*** **(2024 SCMR 1458)**. After surveying the earlier judgments, the Hon'ble Supreme Court held that *"in absence of statutory rules of service, the aggrieved employee cannot invoke the writ jurisdiction of the High Court"*, and observed:

> *"Obviously, under the relationship of master and servant, the only available or applicable remedy is the filing of a civil suit in the civil court against actions detrimental to the interest of any such* employee."

The Court went on to explain that an employee who is neither a civil servant nor a workman, and whose employment is not regulated by statutory rules, *"has the only remedy to approach the civil court and file a civil suit in terms of Section 9 of the Code of Civil Procedure, 1908, for seeking relief, under the relationship of master and servant."* It is true that, in the same judgment, the Supreme Court observed that fundamental rights must be respected even in a master and servant relationship. That observation, however, prompted the Court to call for legislative reform and a special forum. It did not lead the Court to hold the writ maintainable. Indeed, the writ petitions before it were dismissed. The Court also recalled, with reference to Article 189 of the Constitution and the doctrine of stare decisis, that such pronouncements bind all courts in Pakistan.

14. Learned counsel for the petitioner has placed considerable reliance upon two judgments of this Court. Their applicability must be examined in the light of the nature of the claims and the governing legal provisions. In **Zafar Ullah Khan** (supra), the question of maintainability turned on the admitted status of Pakistan Television Corporation (**"PTVC"**). This Court noted that it was *"not disputed that since its inception, the PTVC remained under the effective and dominant control of the Federal Government, which*

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holds the majority of its shareholding". The Court also found that the Government exercised *"pervasive administrative and financial control"* over it, that it functioned as a public service broadcaster, that its General Manager and Managing Director were appointed directly by the Federal Government, and that their emoluments were paid from the public exchequer. Moreover, the liability for commutation was implicitly conceded, since part of it had already been paid.

15. The Defence Division's report describes PIAHCL as autonomous in its administrative and internal affairs. That description does not, by itself, determine whether the company performs functions in connection with the affairs of the Federation. Such a determination requires consideration of the relevant legal framework and the evidence concerning governmental ownership, control, funding and the functions entrusted to the company.

16. The tests for deciding whether a body is a "person" performing functions in connection with the affairs of the Federation were laid down in Tanweer-ur-Rehman (supra), following ***Salahuddin v. Frontier Sugar Mills and Distillery Ltd.*** **(PLD 1975 SC 244)**:

> *"(i) whether the functions entrusted to the organization or person concerned are indeed functions of the State involving some exercise of sovereign or public power;*
> *(ii) whether the control of the organization vests in a substantial manner in the hands of Government; and*
> *(iii) whether the bulk of funds is provided by the State."*

For the purposes of the present pension claim, it is unnecessary to determine conclusively whether PIAHCL satisfies those tests. Even assuming that it is amenable to constitutional jurisdiction, the distinct question remains whether the obligation sought to be enforced has a statutory or other public-law foundation. The Defence Division's assertion

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of administrative autonomy cannot substitute for examination of that question.

17. Even if PIAHCL were assumed to be a "person" for the purposes of Article 199, the result would be the same. PIAC itself was held to be such a person in **Tanweer-ur-Rehman**, and yet the writ petitions of its employees were held not maintainable because their service was not governed by statutory rules. The status of the employer is one question; the nature of the rules governing the claim is another. On the basis on which the claim has been presented, no statutory rule governing the pension entitlement has been identified. The conclusion on maintainability must, however, also account for any applicable statutory protection of accrued pension rights and the legal effect of the transfer of liabilities to PIAHCL.

18. The judgment in **Muhammad Rafiq** (supra) is also distinguishable. The petitioner in that case was a retired employee of Allama Iqbal Open University, which had admittedly received the proportionate share of his pension from his previous department in 2019, and had neither paid it to him nor returned it. There was no competing claim against the retired employee, and no part of the disputed amount had been paid to him. The University's principal defence was the applicability of a Finance Division office memorandum. The Court did not itself order payment, but directed the University to decide the matter by a speaking order. That decision does not, merely because it concerned pension, resolve the distinct question of the enforceability of the obligation asserted in the present case.

19. Here, the record produced by respondent No.1 contains the following correspondence. By letter dated 17.04.2007, the Legal Services Division of PIAC informed the Manager Insurance & Terminal Benefits that management had approved, by minute 06 dated 17.10.2006, "prosecution

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action" against the petitioner and another retired officer, who were alleged to have been "involved in illegal act of Tax evasion during their posting at London as General Manager UK & Ireland and Finance Manager respectively". It was directed that any payment due to them "as pension, or any other benefits may please be stopped forthwith". By reply dated 18.04.2007, the Manager Insurance & Terminal Benefits reported that the petitioner had already been paid the following amounts:

Provident Fund Final Settlement Rs.5,048,745/-

Commutation / Gratuity Rs.1,270,919/-

The Manager also confirmed that his pension would be stopped forthwith. According to respondent No.1, PIAC also instituted a suit for recovery of GBP 198,925.26 against the petitioner on the same allegations, registered initially as H.C. Suit No.1351 of 2007 and is now pending as Suit No.1130 of 2025 before the learned Senior Civil Judge-II, Malir, Karachi. The petitioner's own letter of 07.01.2008, annexed to the petition, shows that he was served with a legal notice in 2007 "raising baseless allegations and claims", and that he replied to it through counsel.

20. The payment of provident fund and commutation/gratuity does not, by itself, determine whether any periodic pension remains payable. Equally, the allegations against the petitioner and the pendency of a recovery suit do not, without an applicable legal basis, establish an entitlement to withhold his pension. The relevant questions include the terms governing his pension, the legal authority, if any, for its withholding, and the amount remaining payable after accounting for the benefits already received. The question of liability for the alleged loss is distinct and remains for determination in the pending recovery proceedings. In declining constitutional interference, this Court neither endorses the withholding of

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pension nor expresses any opinion on the alleged loss or any claimed right of adjustment or set-off.

21. The respondents have also raised objections concerning delay and non-disclosure of material facts. Those objections cannot be resolved merely by stating that the petitioner remained silent for eighteen years, particularly when the record, as recounted above, refers to his requests of 2007 and 2008 and his subsequent representations. Any finding of material non-disclosure must identify the omitted fact and take account of the letter dated 07.01.2008 annexed to the petition. As the pension claim is being determined on the question of maintainability, no independent finding on these objections is necessary. The order in Muhammad Usman (supra), relied upon by the petitioner, must be considered in its statutory and factual context; a principle protecting pension does not, without examination of that context, determine the appropriate forum for enforcing the present claim.

22. The petitioner may pursue such civil remedy for his pension claim as is available in law before the court of competent jurisdiction. He may also raise such pleas in the pending recovery suit as are permissible under the applicable procedural law. No direction is issued that any separate pension claim must be tried with that suit. If appropriate proceedings are instituted, the competent court may consider their expeditious disposal having regard to the petitioner's age and the nature of the claim. All questions concerning entitlement, the authority to withhold pension, adjustment, limitation and jurisdiction shall remain open for independent determination. Nothing in this judgment shall be construed as a finding on the merits of the competing claims.

23. For the foregoing reasons, the petition, insofar as it seeks enforcement of the pension claim and the consequential reliefs founded

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thereon, is **dismissed** as not maintainable, leaving the petitioner at liberty to avail himself of such remedy as is available in law. The prayer relating to the petitioner's medical facilities is disposed of in terms of the statement of respondent No.1 recorded in paragraph 7 above.

(AYYAZ SHAUKAT)
JUDGE

Announced in open Court on **12.10.2026.**

JUDGE

Saeed.

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