

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

Constitutional Petition No. D-2202 of 2022

(Gulzar Ahmed v CEO Pakistan Steel Mills & others)

Date	Order with signature of Judge(s)
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Before:
Mr. Justice Muhammad Karim Khan Agha
Mr. Justice Adnan-ul-Karim Memon

Date of hearing and order 18.12.2025

Mr. Abdul Khursheed Khan advocate for the petitioner.
Mr. Sanullah Noor Ghouri advocate for Respondent

ORDER

Adnan-ul-Karim Memon, J: Petitioner prayed that this Court:

1. To pass direction to the Respondents Nos. 1 to 6 to determine and file breakup of legal, lawful dues, i.e. provident Fund, Gratuity Fund, other services dues, and payments dues of the petitioner before this Court.
2. To pass direction for recall, suspend, cancel, and dismiss these impugned Decision, Order/Correspondences (i) Notice No. TS/ R-Estate/06/01 2021 dated 27.11.2020; (ii) Letter of Retrenchment Letter No: A&P/ Retrench-O/(217212) /2020/309 dated 27.11.2020; (iii) Relieving Order No. PS/E-2/ Admin/2020/2441 dated 15.12.2020, Pakistan Steel; (iv) No Demand/Clarence Certificate Pakistan Steel-Administration & Personnel dated 15.12.2020, the Respondents has issued without disclosed the payable dues of the petitioner two impugned Cheques i.e. Cheque No. 9028342 dated 01.02.2021 amounts Rs. 21,47, 340.00 and Cheque No. 3320447 dated 27.12.2021 amounts Rs. 14,14,984.00- questionable, without disclose the breakup.
3. To pass direction to the Respondents No, 2,3 and 6 till would not determine and file breakup of legal, lawful dues i.e. provident Fund, Gratuity Fund, other services dues and payments dues of the petitioner before this Court not vacate, not disturb the residential accommodation i.e. Resident of House No. 40/1, Pakistan Steel Town, Karachi, till the disposal of the Constitution petition.
4. To pass direction for suspend operation removal the possession Resident of House No. 40/1, Pakistan Steel Town, Karachi, till should not pay the payment of all outstanding post retrenchment/ termination dues including differential amounts of revised pay scale Deputy Manager Engineering Laboratory, Pakistan Steel Town Karachi, provident Fund from the years 2017-2018 & 2018 - 2019 and 2019 - 2020, Pakistan Steel has also illegally not paid profits of Provident Fund as per approved policy of the Finance Division, Government of Pakistan which act of the concerned officials for Pakistan Steel Mill is absolutely illegal and malafide and also comes under the definition of Criminal Breach of Trust and misappropriation and the concerned officials of Pakistan Steel Mill are liable to be prosecuted under the relevant provision of penal code.
5. To pass an interim order for the stop operation of the alleged Notice is against the approved decision by ECM of Pakistan Steel and has no legal authority, and the same has been issued for the sole purpose of blackmailing and harassment of the ex-employees, and the same is liable to be recalled respectively.
6. To recall/ withdraw the impugned notice dated 18.05.2021 till the payment of outstanding remaining dues/ differential amount of revised pay scale, provident Fund, and other dues, funds, etc, respectively.
7. Any other reliefs may kindly be awarded at the cost of the petitioner.

2. The petitioner was a Deputy Manager at the Engineering Laboratory, Pakistan Steel Mill. He was terminated from his position via a retrenchment notice dated November 27, 2020. The petitioner is seeking the cancellation of interest-free Provident Fund amounts, with a specific date of June 16, 2021. After his dismissal, he submitted a No Due Certificate (NDC) to collect his outstanding dues, including the Provident Fund. He has submitted multiple applications and reminders requesting the cancellation of the interest-free Provident Fund on various dates: September 14, 2015, July 28, 2016, July 7, 2017, and June 16, 2021, but no action has been taken. He therefore requested payment for the difference in his P.F. amount.

3. The petitioner's counsel argues that Respondents No. 1 to 6 have failed to respond to the petitioner's requests or provide clear details about his Provident Fund. The counsel asserts that this inaction, along with unclear salary receipts, amounts to discrimination and neglect. Additionally, the counsel notes that Respondents No. 1, 2, 4, and 5 have not issued any orders in response to the petitioner's repeated appeals. The documents related to the petitioner's termination, including the Notice of Retrenchment, Letter of Retrenchment, and Relieving Order, are mentioned, along with a No Demand/Clearance Certificate (NDC). The counsel emphasizes that the NDC was issued without fully disclosing the petitioner's dues, even though two cheques were issued for Rs. 2,147,340 and Rs. 1,414,984. The petitioner's counsel claims that his superiors (Respondents No. 1 to 6) issued these documents and cheques without revealing the account details and without considering his legal requests. The counsel concludes by stating that the respondents have ignored the petitioner's appeal to disclose his rightful dues and funds. The petitioner now seeks this court order to compel the respondents to provide a fair, honest, and lawful accounting of his funds and to reverse what he considers an attempt to "usurp" his provident fund. The petitioner's counsel requests that the court allow this petition.

4. The Pakistan Steel Mill (PSM) counsel argues for the dismissal of the petition, claiming the petitioner has no legal standing and that the case is barred by the law of limitations due to a significant delay. He submitted that the petitioner failed to approach the appropriate legal forum, such as a Civil or Labor Court, in a timely manner. The petition was filed in April 2022, well after the petitioner's retrenchment in November 2020. The counsel contends that there is no valid reason for the petitioner to file the petition at such a late stage. The PSM asserts that the petitioner's retrenchment was carried out in accordance with the Standing Order of 1968, which is not open under Article 199 of the constitution. According

to the counsel, after the petitioner submitted his No Demand/Clearance Certificate (NDC), all outstanding dues, including gratuity, Provident Fund, one month's pay, and leave encashment, were fully paid. The counsel explains that while a pay scale revision from July 2011 led to 15 months of arrears, this is a systemic issue affecting thousands of employees due to a financial crisis. A summary has been sent to the ECC of the Cabinet to request funds to cover these arrears. The PSM counsel states that the petitioner is not entitled to any ad-hoc relief, as all his outstanding dues have already been settled. The PSM counsel concludes by requesting that the court dismiss the petition.

5. We have heard the counsel for the parties and perused the record with their assistance.

6. Although Pakistan Steel Mills (PSM) shut down in June 2015, some retired employees continue to seek various outstanding benefits. These include Provident Fund, Gratuity, and post-retrenchment dues, as well as the difference from a revised pay scale, Provident Fund amounts from 2017 to 2020, and ad-hoc relief allowances; even the issue of the retrenchment scheme could have been presented to the Labor Court as per law. Counsel for the respondents submitted that the petitioner had already been paid all his dues, and nothing is left on their part to be paid to the petitioner.

7. According to information received, Pakistan Steel Mills (PSM) has experienced a significant financial loss of over **Rs. 100 billion**, with total liabilities exceeding **Rs. 110 billion**. Given this financial crisis, it is not considered feasible to direct PSM to grant financial relief, such as ad-hoc allowances, to retired officers at this time under Article 199 of the constitution; however, there are outstanding dues petitioner may avail his remedy before the competent forum under the relevant law.

8. In view of the above reasoning, the relief so sought by the petitioner cannot be granted; therefore, this petition, being not maintainable against the purported claim under Article 199 of the constitution, is dismissed together with the pending application(s).

JUDGE

Head of Constitutional Benches