IN THE HIGH COURT OF SINDH KARACHI

Const. Petition No.142 of 2026
(Utility Store Corporation Pakistan – vs – Authority

Date	Order with signature(s) of Judge(s)

Hg: /Priority.

1. For orders on office objections.
2. For orders on Misc. No.971/26
3. For orders on Misc. No.972/26
4. For hearing of main case.

19.08.2026.
Syed Hasnain Haider, Advocate for the Petitioner.
Mr. Ghulam Murtaza Sariyo, Advocate for Respondent.

O R D E R

Nisar Ahmed Bhanbhro, J. This petition is directed against the order dated 26.01.2026 passed by the Authority under the Payment of Wages Act (Commissioner for Workmen's Compensation), East, Karachi, whereby the petitioner entity was directed to make payment of gratuity and other dues accrued upon the retirement of Respondent No. 2 within a period of 30 days from the receipt of the order.

2. Counsel for the petitioner submits that, before passing the impugned order, the Authority neither served notice upon the petitioner entity nor afforded it an opportunity of hearing and, instead, passed the order ex parte. He further submits that the outstanding dues payable to Respondent No. 2 are yet to be determined. He, therefore, prays that the impugned order may be set aside.

3. In controverting the submissions, learned counsel for the respondent contended that the amount payable to Respondent No. 2 was withheld by the petitioner entity, leaving him with no option but to invoke the jurisdiction of the Authority under Section 15 of the Payment of Wages Act, 2015. He further contended that, after considering all the material available on record, the Authority directed the petitioner to deposit the amount within a period of 30 days. Instead of complying with the order, the petitioner has assailed the same before this Court. He next contended that, upon the retirement of Respondent No. 2, the petitioner entity was required to release his pensionary benefits, gratuity and other dues without any delay. However, even after the lapse of more than two years, the said amounts have not been paid to Respondent No. 2.

4. Heard arguments and perused the material available on record.

5. Admittedly, Respondent No. 2 served the petitioner entity for more than 34 years and, upon attaining the age of superannuation, was retired from service. It was the responsibility of the petitioner entity to release all amounts due to him on account of his retirement without any delay; however, it failed to discharge its legal obligations. It is evident from the record that the notice dated 27.10.2025 was issued and duly served upon the petitioner entity. The matter was thereafter adjourned to 30.10.2025, 13.11.2025, 24.12.2025 and 26.12.2025 for the appearance of the petitioner entity; however, despite having been duly served, no one appeared on behalf of the petitioner. Consequently, the impugned order was passed by the Authority.

6. Pension, gratuity and other retirement benefits cannot be withheld merely on account of absence. Such benefits constitute a lawful entitlement of a person who has burns his blood more than three decades of his life to an entity or institution, and the employer is required to release such benefits without unnecessary delay. In the event of any delay, a plausible and justifiable explanation must be brought on record. When confronted as to why the dues of Respondent No. 2 had not yet been released despite his retirement from the petitioner entity, learned counsel for the petitioner failed to furnish any satisfactory explanation. Instead, he sought reversal of the impugned order primarily on the ground that the petitioner entity had not been afforded an opportunity of hearing before the passing of the said order.

7. It is Respondent No. 2 who has certain rights and entitlements against the petitioner entity, and not the petitioner. It was the obligation of the petitioner entity to discharge its duties in accordance with law and to release the retirement benefits of Respondent No. 2 within a reasonable period, preferably within one month of his retirement. Respondent No. 2 retired from service in March 2023 and, for more than three years, has been knocking at the door of the petitioner entity for the release of his lawful dues, but to no avail. In view of the foregoing, the instant petition, being devoid of merit, is hereby dismissed, along with all pending applications, if any.

8. The petitioner entity is directed to ensure compliance with the order dated 26.01.2026 passed by the Authority. In the event of failure to comply with the said order, the Authority shall be at liberty to enforce its order through coercive measures, including recovery of the amount due as arrears of land revenue, in accordance with law. In case the petitioner entity fails to comply with the order, the person responsible shall be liable to face the consequences prescribed by law, including civil imprisonment, subject to due process.

JUDGE