ORDER SHEET
IN THE HIGH COURT OF SINDH, KARACHI

Constitutional Petition No. D – 4009 of 2026
(Sohail Shahzad Shahid versus National Bank of Pakistan and others)

Date	Order with signature of Judge

Mr. Justice Adnan-ul-Karim Memon
Mr. Justice Muhammad Jaffer Raza

Date of hearing & orders: 05.8.2026

Mr. Muhammad Jibran Nasir, Advocate for the Petitioner.
Mr. Faisal Mahmood Ghani, Advocate for the Respondent/NBP.
Mr. Muhammad Akbar Khan, Assistant Attorney General.

ORDER

Adnan-ul-Karim Memon, J. Petitioner Sohail Shahzad Shahid has filed this Constitutional Petition under Article 199 of the Constitution of the Islamic Republic of Pakistan, 1973, with the following prayer: -

1. *Declare that the relieving order dated 22.05.2026, communicated to the Petitioner on 29.05.2026, and the certificate dated 13.05.2026 issued by the In-charge Staff Loan are illegal, arbitrary, mala fide, without lawful authority and of no legal effect, having been issued in direct derogation and disregard of the order dated 21.05.2026 passed by this Honorable Court in C.P. No. D-2833 of 2026, principles of natural justice and the statutory framework;*
2. *Declare that the Petitioner continues to be on employment of the bank on the same terms and with the same benefits as on 21.05.2026 as directed by this Honorable High Court vide Order dated 21.05.2026 in C.P. No. D-2833/2026.*
3. *Direct the Respondents to restore the Petitioner to the same status, position, powers, responsibilities, salary, emoluments, benefits, privileges, facilities and official access which existed immediately prior to the issuance and implementation of the impugned relieving order, together with continuity of service and all consequential benefits;*
4. *Suspend the operation of the Impugned Relieving Order dated 22.05.2026 and the certificate dated 13.05.2026 during the pendency of this petition and also permanently set aside the impugned relieving order.*
5. *Restrain the Respondents from taking any further adverse actions against the Petitioner in pursuance of the Relieving Order dated 22.05.2026.*

2. The Petitioner has invoked the constitutional jurisdiction of this Court seeking judicial review and setting aside of the relieving order dated 22.05.2026, communicated on 29.05.2026, whereby the Respondents declined renewal of his contractual employment and relieved him from service, along with the consequential certificate dated 13.05.2026 requiring liquidation of the outstanding house financing facility availed during his employment. The said actions are stated to be illegal, arbitrary, without lawful authority and contrary to the directions issued by this Court in C.P. No. D-2833 of 2026 vide order dated 21.05.2026. It is submitted that prior to issuance of the impugned order, the Petitioner had approached this Court against the failure of the Respondents to decide his case for renewal of contract. This Court disposed of the petition with

directions to Respondent No.2/President, National Bank of Pakistan, to consider and decide the matter strictly in accordance with law, applicable policies and Bye-laws, and further directed that if any adverse decision was contemplated on the basis of the Petitioner's conduct, suitability or performance, he must first be afforded an opportunity of hearing in accordance with the principles of natural justice. It was further directed that until such lawful decision was taken, the Petitioner could continue to serve. It is urged that the Petitioner is an experienced banking professional who joined Respondent No.1, National Bank of Pakistan, as Executive Vice President on a contractual basis in 2022 after serving reputable institutions including HBL and AKDN Group. Throughout his tenure, he maintained an excellent professional record, which is evident from his annual performance appraisals, wherein he was rated "Good" in 2022 and "Very Good" in 2023 and 2024. His achievements in the Digital Banking Governance Division were also duly acknowledged by the Respondent Bank. In view of his satisfactory performance and unblemished record, the competent authority recommended renewal of his contract for another period of three years. A No Involvement Certificate was also issued confirming that no inquiry, disciplinary proceedings, misconduct or fraud allegation was pending against him. It is added that despite such recommendation and fulfillment of the prescribed criteria under the Bank's Recruitment and Selection Policy, the Respondents failed to decide his case, compelling him to approach this Honorable Court. It is submitted that after receipt of the certified copy of the order dated 21.05.2026, the Respondents were fully aware of the directions issued by this Court. However, instead of complying with the said order, they proceeded to issue the impugned relieving order without affording any opportunity of hearing, without confronting the Petitioner with any adverse material, and without recording any reasons for refusal of renewal. The impugned order itself refers to the order of this Honorable Court, demonstrating that the Respondents acted with full knowledge of the judicial directions. It is submitted that the Respondents' action is also contrary to the statutory framework governing the Bank. Being a statutory body established under the National Bank of Pakistan Ordinance, 1949, Respondent No.1 is required to act in accordance with its Bye-laws, policies and applicable legal principles. The Chief Executive's powers are subject to the control and directions of the Board and must be exercised in accordance with prescribed policies and guidelines. The Petitioner, being a contractual employee, is governed by the applicable contractual framework and policies, under which renewal is to be considered on the basis of performance, eligibility and absence of disciplinary proceedings. It is submitted that the impugned relieving order is neither a speaking order nor reflects any application of mind. It completely ignores the Petitioner's consistent performance ratings, recommendation for renewal, and the absence of any adverse material against him. The Respondents have failed to disclose any lawful reason for discontinuing the Petitioner's services and have acted in violation of the principles of natural justice, due process and the express directions of this Honorable Court. Consequently, the Petitioner has approached this Court seeking judicial review of the impugned actions, which are stated to be arbitrary, unlawful, without jurisdiction and liable to be set aside along with all consequential proceedings.

3. The learned counsel for the Petitioner submits that the relieving order dated 22.05.2026, communicated on 29.05.2026, is illegal, arbitrary, without lawful authority and of no legal effect, as the same has been issued in blatant disregard of the order dated 21.05.2026 passed by this Honorable Court in C.P. No. D-2833 of 2026, whereby the Respondents were directed to consider the Petitioner's case in accordance with law and observe due process before taking any adverse action. He added that despite being bound by the said judicial direction, the Respondents circumvented the same through an administrative order, thereby violating the Petitioner's constitutional and legal rights. It is submitted that Respondent No.1, being a statutory body established under the National Bank of Pakistan Ordinance, 1949, is required to act fairly, reasonably and in accordance with law, and its discretion cannot be exercised arbitrarily or in disregard of constitutional guarantees, statutory obligations and its own policies. The impugned order was passed without notice, hearing or disclosure of any adverse material, in violation of Article 4 of the Constitution and the principles of natural justice. He added that the order is also non-speaking and reflects non-application of mind, as the Respondents failed to consider the Petitioner's consistently "Very Good" performance evaluations, recommendation for renewal of contract, No Involvement Certificate and absence of any disciplinary proceedings or complaints. He next argued that the action is mala fide, a colourable exercise of authority and merely an attempt to defeat the protection granted by this Court. Furthermore, under Section 16(4) of the National Bank of Pakistan Ordinance, 1949 read with Clause 55 of the NBP Bye-Laws, 2015, the Respondents are bound to act in accordance with prescribed policies and guidelines; however, the impugned order has been issued in violation of the statutory framework and the Bank's own HR policies. Since the Petitioner's service conditions are not governed by the National Bank of Pakistan Staff Service Rules, 2021 and no alternate efficacious remedy is available, the present petition under Article 199 of the Constitution is maintainable. The Petitioner, therefore, prays that the impugned relieving order and connected actions be declared illegal and without lawful authority, the Petitioner be restored to his original status with all salary, benefits and consequential service privileges, and the Respondents be restrained from taking any further adverse action against him.

4. Learned counsel appearing on behalf of the Respondent Bank submits that the instant petition is not maintainable as the Petitioner was appointed on a contractual basis and his terms and conditions were governed by the contract of

appointment. It is contended that under the National Bank of Pakistan (Staff) Service Rules, 2021, contractual appointments are permissible and employees appointed on contract are governed by the terms of their respective contracts. The Petitioner, having voluntarily accepted the contractual appointment, cannot claim any vested right of absorption, regularization or compulsory renewal of contract. Learned counsel further submits that constitutional jurisdiction under Article 199 of the Constitution cannot be invoked for enforcement of contractual rights, particularly where no violation of any statutory rule or legal right has been established. He submitted that the Petitioner, after entering into the contract with the Bank and accepting its terms, is bound by the principle of acquiescence and estoppel. Clause 1.2 of the appointment contract specifically provided that upon expiry of the contractual period, the Petitioner would stand relieved unless the contract was renewed at the option of the Bank on such terms and conditions as may be offered by the Bank. It is argued that the Petitioner has no legitimate expectation of renewal or regularization merely on the basis of his past performance, recommendations or additional responsibilities assigned during service. Contractual employees may be appreciated for their performance, but such appreciation does not create any enforceable right to permanent employment or extension of contract. Learned counsel submits that the National Bank of Pakistan (Staff) Service Rules, 1973 stood repealed after due process and with the approval of the Federal Government. Thereafter, the Board of the Bank, under the NBP Bye-Laws, 2015, was empowered to determine personnel policies, staff service rules, and matters relating to appointment, absorption, regularization, remuneration, promotion and service benefits. The Staff Service Rules, 2021 were subsequently framed by the competent authority and are applicable to the employees of the Bank. It is contended that the Petitioner has failed to point out any violation of law, statutory rules or constitutional rights. The present petition seeks creation of a new right rather than enforcement of an existing legal right, which is beyond the scope of constitutional jurisdiction. The petition is also barred by delay and laches, as the Petitioner approached this Court after a considerable lapse of time despite being aware of the contractual nature of his employment. Learned counsel further submits that the order dated 21.05.2026 passed by this Court in C.P. No. D-2833/2026 was duly complied with. The said order only required consideration of the Petitioner's case for renewal of contract in accordance with law and provided an opportunity of hearing only in case any adverse action was contemplated. Since the Petitioner was relieved upon expiry of his contractual term in terms of the appointment agreement, no adverse action was taken and no further hearing was required. It is argued that the relieving order dated 22.05.2026 was issued strictly in accordance with the contract and applicable rules. The dues certificate issued on 13.05.2026 was merely issued on the Petitioner's own request and carried no assurance regarding renewal of contract. Likewise, recommendations or internal communications regarding extension of contract did not confer any enforceable right upon the Petitioner. Learned counsel submits that the allegations of discrimination, mala fide or violation of constitutional rights are baseless and unsupported by any material. The Petitioner cannot rely upon outdated policies or misconstrued documents to claim entitlement to renewal or regularization. It is further submitted that several employees whose contracts expired were not renewed, and the decision regarding continuation of contractual employment falls within the domain of the competent authority of the Bank. It is lastly submitted that the Petitioner has also pursued a contempt application arising out of the same proceedings, and cannot simultaneously seek parallel relief through the present petition. In the absence of any infringement of legal or constitutional rights, the petition is misconceived and liable to be dismissed.

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

6. Vide order dated 21.05.2026, the Respondent No.2/President, National Bank of Pakistan, was directed to consider and decide the Petitioner's case for renewal of contractual employment strictly in accordance with law, applicable policies and the Bank's Bye-laws, without discrimination or extraneous considerations. This Court further directed that if any adverse decision was contemplated on the basis of conduct, suitability or performance, the Petitioner was required to be afforded an opportunity of hearing in accordance with the principles of natural justice. It was also observed that in case no decision was taken within the stipulated period, the Petitioner may continue to serve the Bank till such decision was made by the competent authority.

7. However, despite the aforesaid directions, the Respondents issued the impugned relieving order dated 22.05.2026, whereby the Petitioner was relieved from service with effect from close of business hours on 22.05.2026 on the ground that his contractual term had expired on 23.05.2026. The said order merely refers to the decision of the President/NBP and the order passed by this Court, but does not reflect that the Petitioner's case for renewal was considered or decided on merits in accordance with the directions of this Court.

8. No speaking order has been passed regarding renewal of the contract, nor has any material been disclosed showing consideration of the Petitioner's performance record, recommendations of the competent authorities, or the applicable policy framework. Furthermore, no opportunity of hearing was afforded to the Petitioner before issuing the adverse order of relieving, despite the specific directions of this Court. Thus, the relieving order appears to have been issued in haste and before completion of the process mandated by this Court. The Respondents, instead of deciding the Petitioner's case for renewal in accordance

with law, have effectively rendered the petitioner's case infructuous by relieving him from service. Consequently, the action of the Respondents cannot be termed as compliance with the order dated 21.05.2026; rather, it amounts to disregard and non-compliance of the directions issued by this Court.

9. In view of the foregoing discussion, we are of the considered view that the impugned relieving order dated 22.05.2026 cannot be treated as a valid compliance of the order dated 21.05.2026 passed by this Court in C.P. No. D-2833 of 2026. The Respondents were required to first consider and decide the Petitioner's case for renewal of contractual employment strictly in accordance with law, applicable policies and the Bank's Bye-laws, and in case any adverse decision was contemplated on the basis of conduct, suitability or performance, the Petitioner was required to be afforded an opportunity of hearing in accordance with the principles of natural justice. However, the record reflects that the Petitioner was relieved from service without such exercise being undertaken and without affording him an opportunity of hearing.

10. Nevertheless, keeping in view the contractual nature of the Petitioner's engagement and without expressing any opinion on the merits of his claim for renewal, we deem it appropriate to direct the competent authority of Respondent No.1/Bank to reconsider and decide the Petitioner's case strictly in accordance with the directions contained in the order dated 21.05.2026 passed by this Court, the applicable policies, Bye-laws and principles of natural justice. For such purpose, the Petitioner shall be afforded an opportunity of personal hearing and shall be permitted to place all relevant material, including his performance record, recommendations and other documents in support of his claim.

11. The aforesaid exercise shall be completed by the competent authority of the Respondent Bank within a period of **two (02) weeks** from the date of receipt of this order. The competent authority shall pass a reasoned and speaking order dealing with all relevant aspects of the Petitioner's case and shall communicate the same to him forthwith.

12. With the above directions, the instant Constitutional Petition and contempt application bearing CMA No.13892/2026 in disposed of CP No. D-2833 of 2026 stand disposed of. There shall be no order as to costs.

JUDGE

JUDGE

Nadeem Qureshi *PA*