

IN THE HIGH COURT OF SINDH, KARACHI

C. P. NO. D-2673 / 2026
(Tata Best Foods Limited Vs. Sindh & Others)

Present:

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

Date of hearing and order:- 24.09.2026.

Mr. Mustafa Ahmed Bajwa, Advocate for the Petitioner.
Mr. Zohaib Sarki, Additional Advocate General Sindh.
Syeda Iqra Kazmi, Respondent No. 4, in person.

Adnan-ul-Karim Memon, J. Petitioner has filed this Petition under Article 199 of the Constitution of the Islamic Republic of Pakistan seeking the following reliefs: -

- I. Set aside the impugned order dated 26 March 2026;
- II. Order dismissal of grievance petition of Respondent No.4;
- III. Suspend operation of the impugned order till disposal of petition.”

2. The petitioner, being aggrieved by the judgment dated 26.03.2026 passed by the Sindh Labour Appellate Tribunal, has filed the instant petition, with the narration that the entire Security Department was abolished in the interest of operational efficiency and economy, resulting in retrenchment of all security guards. The learned counsel for the petitioner asserts that the requirements of Standing Orders 13 and 16 were duly complied with by observing the principle of “last in, first out” and paying one month’s wages in lieu of notice. It is further contended that the abolition of the department was established through documentary and oral evidence, including the fact that no security guard was thereafter retained, hired or re-hired, and that the retrenchment resulted in annual savings of approximately Rs.2 million. The counsel further maintains that retrenchment during treatment under the Sindh Employees Social Security Act, 2016 was not prohibited, as retrenchment does not constitute punishment, relying upon PLD 1965 SC 420 and PLD 1999 SC 990. It is argued that the Tribunal failed to properly appreciate the evidence, including the admitted fact that all security guards had been terminated, and erroneously held otherwise. On these grounds, the petitioner seeks setting aside of the impugned judgment dated 26.03.2026 and dismissal of respondent No.4’s grievance petition.

3. Respondent No.4, who appears in person, supports the impugned judgment dated 26.03.2026 and submits that the petitioner failed to establish through cogent

and reliable evidence that the Security Department was genuinely abolished or that the deceased workman's termination constituted lawful retrenchment. It is contended that the purported abolition of the department was merely an assertion unsupported by sufficient documentary evidence, while the mandatory requirements of the Standing Orders, including notice, compensation, seniority and bona fide reduction of staff, were not duly established. Respondent No.4 further maintains that the deceased was a permanent workman and that his termination during treatment for serious cardiac illness was unlawful and contrary to the protective object of labour legislation. It is submitted that the Tribunal rightly placed the burden upon the employer to justify the admitted termination and, upon finding misreading and non-reading of material evidence by the Labour Court, correctly declared the termination dated 10.08.2017 illegal. Since the deceased workman had passed away during the proceedings, reinstatement was no longer possible; therefore, the award of Rs.1,200,000/- as lump-sum compensation to his legal heirs was lawful and justified. Respondent No.4 accordingly seeks dismissal of the instant petition and maintenance of the impugned judgment for connivance sake an excerpt of the Judgment dated 26.03.2026 is reproduced as under:-

“18 For the discussed above, this Tribunal holds that the termination of the deceased workman dated 10 August 2017 was not in accordance with law. The learned Labour Court failed to properly appreciate the evidence and the impugned judgment cannot be sustained. The judgment dated 22 February 2025 passed by the learned Sindh Labour Court No.1 Karachi, in grievance application, No.286 of 2024, is, therefore, set aside and termination of the deceased worker (Syed Sakhawat Hussain Shah) is declared illegal and without lawful authority.

19 Considering the length of service of the deceased workman, illegal termination by the respondents, financial hardship caused to the family, prolonged litigation since 2017 and welfare nature of labour legislation, this Tribunal is of the view that the ends of justice would be adequately met by awarding lump sum compensation equivalent to back benefits from the date of till the death of the workman, a reasonable compensation of Rs.1,200,000/- (rupees twelve hundred thousand only) is awarded to the legal heirs of the deceased worker as full and final payment, including his all legal dues, such as gratuity, leave encashment unpaid wages, if any. The respondents are directed to deposit the amount of Rs.1,200,000/- (rupees twelve hundred thousand only) before this Tribunal within 30 days for payment to the legal heirs of the deceased worker. The appeal is disposed of accordingly.”

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

5. We have gone the cross of the petitioner, in cross-examination, the witness of the petitioner, admitted that at the time of filing the written statement, he was not the notified Factory Manager and the written statement had been signed by one

Zulqernain, Head of Mills Administration. He further admitted that the respondent is a private limited company situated at Plot No. HX-1, Landhi Industrial Area, Karachi, and that the applicant's grievance notice dated 15.08.2017 was addressed to Tata Best Food. He admitted that the applicant was working as a Security Guard at one of the factory's entrance gates, where his duties included checking workers' cards and vehicle gate passes, and that there was no complaint of misconduct against him. He also admitted that the applicant had been under medical treatment from 10.08.2017 to 17.08.2017, and that he had not produced the applicant's leave record. The witness further admitted that the Vice President (Human Resources) was the competent authority to appoint and terminate workers and that the termination letters of the applicant and other security guards had been produced by him. He denied the suggestions that the applicant's termination was unlawful, that the reasons for his termination differed from those of the other security guards, or that the respondent lacked authority to abolish its security department without permission of the Labour Department.

6. The learned Labour Court found that the grievance application was maintainable and that the relationship of worker and employer between the deceased applicant and the respondent was admitted by the parties. The Court held that the application was within limitation and that the subsequent death of the applicant did not extinguish his claim for arrears or other monetary dues, which could devolve upon his legal heirs. On the merits, the Court found that the deceased /applicant had been terminated vide letter dated 10.08.2017, but the evidence established that the petitioner/respondent had abolished its entire Security Department due to financial difficulties and had terminated not only the applicant but also other security guards. The applicant himself admitted in cross-examination that 27 posts in the Security Department had been abolished and that seven other security guards had also been terminated. The petitioner/respondent produced the relevant termination letters and the inter-office memo dated 03.05.2017 evidencing the abolition of the department. The Court therefore concluded that the applicant had been retrenched on account of abolition of the Security Department, rather than dismissed or removed from service. Accordingly, the Labour Court held that the termination was in consonance with Standing Order 18 of the Sindh Terms of Employment (Standing Orders) Act, 2015 and was lawful. As the applicant failed to establish that his termination was illegal or unwarranted, he was not entitled to back benefits. The grievance application was consequently dismissed, without costs; however, the petitioner/respondent was directed to hand over the admitted outstanding dues of the deceased applicant to his daughter/legal representative/respondent No.4, subject to the consent of the other legal heirs.

7. However on appeal preferred by the respondent No.4, the Sindh Labour Appellate Tribunal found that the deceased was a permanent workman and that the grievance application was maintainable. It held that the petitioner/respondents failed to prove, through reliable documentary evidence, that the security department had genuinely been abolished or that the termination constituted lawful retrenchment. The burden to justify the admitted termination lay upon the employer, which had also failed to establish compliance with Standing Orders 18 and 19 regarding bona fide retrenchment, notice, compensation, seniority and genuine reduction of staff. The Tribunal further observed that the termination during the deceased workman's treatment for serious cardiac illness was inconsistent with the protective object of labour legislation. Consequently, the Labour Court's judgment was found to suffer from misreading and non-reading of material evidence, and the termination dated 10.08.2017 was declared illegal and without lawful authority. Since the workman had died during the proceedings, reinstatement was no longer possible; therefore, the Tribunal awarded Rs.1,200,000/- as lump-sum compensation to his legal heirs.

8. At this stage, learned counsel for the petitioner agreed to release Rs.1,200,000/- as lump-sum compensation to the legal heirs/respondent No.4, which amount has already been deposited with the Nazir of this court by the order dated 31.8.2026. He, however, requested that the question of law remain open for future litigation and that the SLAT's observations may not prejudice the petitioner so far as the legal question is concerned. Respondent No.4 expressed that they had been left without relief since 2017 and compelled to pursue litigation, and that the petitioner had only now agreed to compensate them, which is apathy on the part. However, she requested for release of the amount as per directions of Ld. SLAT.

9. We have heard the learned counsel for the petitioner and respondent No. 4, who is present in person, and perused the record with their assistance.

10. In view of the above, particularly the fact that the learned counsel for the petitioner has, after arguing the matter at some length, agreed to release the amount of Rs.1,200,000/- as lump-sum compensation to the legal heirs of the deceased workman in terms of decision of Ld. SLAT which amount has already been deposited with the Nazir of this Court pursuant to order dated 31.08.2026, the controversy between the parties, to the extent of the relief granted by the Sindh Labour Appellate Tribunal, stands settled.

11. Accordingly, without expressing any opinion on the legal questions arising from the impugned judgment or disturbing the observations of the Tribunal on merits, the instant petition is disposed of subject to release of the deposited amount

of Rs.1,200,000/- to respondent No.4/legal heirs of the deceased workman in accordance with law and upon due identification/fulfilment of requisite formalities by the Nazir of this court.

12. The question of law raised by the petitioner is left open to be considered in an appropriate case, and the observations contained in the impugned judgment on the subject question of law shall not, merely by virtue of the present disposal, operate as precedent or prejudice the petitioner in any future litigation, subject to all just exceptions as provided under the law.

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