

**ORDER SHEET**  
**IN THE HIGH COURT OF SINDH AT KARACHI**

**C.P. No. D-5785 of 2025**

*[Shoaibullah Khan V. Province of Sindh and others]*

**C.P. No. D-5786 of 2025**

*[Muhammad Nadeem Khan V. Province of Sindh and others]*

**C.P. No. D-5787 of 2025**

*[Noman Muzaffar V. Province of Sindh and others]*

**C.P. No. D-5788 of 2025**

*[Nazar-ul-Hassan V. Province of Sindh and others]*

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

Before:

Mr. Justice Adnan-ul-Karim Memon

Mr. Justice Zulfiqar Ali Sangi

**Date of hearing and Order: 13.05.2026**

Mr. Syed Sultan Ahmed, Advocate for the Petitioners.  
M/s. Naseer Ahmed & Rehmat-un-Nisa advocate for KDA  
Mr. Ali Safdar Depar, AAG

\*\*\*\*\*

**ORDER**

**Adnan-ul-Karim Memon, J.** – Petitioners have filed this Constitution Petition under Article 199 of the Constitution of the Islamic Republic of Pakistan 1973, seeking the following relief:-

- i) To direct the Respondents No. 2 to 5 to release the retirement/pensioner benefits of the petitioners set out in the memo of petition without any further delay, and also to pay the mark-up @ 18% on the said amount from the date of entitlement of the pension till its retirement of this amount;**
- ii) Cost of the petition may be awarded;**
- iii) Any other relief(s) this Hon'ble Court may deem fit in the given circumstances and in the great interest of justice.**

2. The petitioners submitted that they had earlier filed C.P. No. D-5525/2025, which was dismissed as not pressed vide order dated 17.11.2025, with liberty to file a fresh petition independently. The petitioners retired from the services of Respondent No.2 on 27.2.2022, 13.05.2023, 1.11.2023, and 2.12.2024 upon attaining the age of superannuation, i.e., 60 years. Despite retirement, the petitioners have not been paid the full pensionary and retirement benefits in accordance with the law. The unpaid dues include Leave Preparatory to Retirement (LPR), Contributory Provident Fund (CPF), Commutation, and Gratuity.

3. It is the case of the petitioners that after retirement, they became entitled to all pensionary and retirement benefits under the applicable rules and regulations. Reliance has been placed upon the judgment of the Supreme Court in the case of *Haji Muhammad Ismail Memon*, whereby directions were issued to ensure payment of pensionary dues of retired employees within a prescribed period. The petitioners' counsel submits that although a partial amount towards LPR and monthly pension has been paid, the remaining dues have been unlawfully withheld for more than one year, causing severe financial hardship and mental agony. Several representations and applications were submitted to the respondents for the release of the outstanding amount, but no effective steps were taken. According to the petitioners' counsel, Respondents Nos. 2 to 4 are legally bound to release the retirement dues; however, they have taken the plea of financial crunch in KDA, despite continuing expenditure on contractors, official vehicles, furniture, and other departmental purchases. It is further alleged that the respondents have deliberately failed to conduct auctions of residential and commercial plots, which constitute a major source of KDA revenue. The petitioners' counsel further contends that KDA employees are governed by the KDA Employees Service Regulations, 1973, which are statutory in nature. The petitioner's counsel submits that they have no other adequate or efficacious remedy available except to invoke the constitutional jurisdiction of this Court. It is also pleaded that the claim relates to recurring pensionary benefits and, therefore, the petition is not barred by laches. The petitioner has thus prayed that Respondents No.2 to 5 be directed to release all outstanding retirement and pensionary benefits without further delay, along with markup at the rate of 18% per annum from the date of entitlement till realization, besides costs of the petition.

4. Learned counsel for Respondents No.2 to 4/KDA filed a counter-affidavit and submitted that the petitioner's claim regarding retirement and pensionary benefits is not being denied. It was stated that the petitioners retired from service and their post-retirement dues, including LPR, Provident Fund, Commutation, and Gratuity, have already been determined and are part of the official record. However, payment of the remaining dues could not be made due to the severe financial crisis being faced by KDA. It was further submitted that before the instant petitions, a large number of retired employees of KDA had approached this Court through C.P. No. D-1051/2019 and other connected matters seeking payment of post-retirement dues. Pursuant to orders passed therein, KDA has already disbursed billions of rupees to retired employees. He submitted that a designated bank account in UBL, KDA Civic Centre Branch, was also established under the supervision of the learned Official Assignee of Karachi for transparent disbursement of such dues. Those petitions were disposed of vide order dated 18.05.2022 with certain directions to KDA and the Official Assignee. Counsel for

KDA contended that the delay in payment of the petitioner's remaining dues is neither intentional nor deliberate, but solely attributable to the weak financial condition of the Authority. It was explained that the funds released by the Finance Department, Government of Sindh, along with KDA's own revenue collection, are insufficient even to meet establishment expenses, let alone clear pensionary liabilities of hundreds of retired employees. It was further submitted that KDA is taking steps to improve its financial position by requesting enhancement of monthly releases from the Government of Sindh, conducting auctions of KDA properties to generate revenue, and expediting recovery of outstanding receivables from various departments. Counsel maintained that as soon as the financial condition of KDA improves, or financial assistance/grant is received from the Government, the outstanding retirement dues of the petitioner shall be cleared in accordance with law. Learned counsel lastly submitted that no mala fide or discriminatory conduct can be attributed to Respondents No.2 to 4/KDA, as all retirees are being dealt with under the same financial constraints presently faced by the Authority. He prayed to dispose of all petitions in terms of the earlier decision made by this Court, and sufficient time may be granted to them for compliance.

5. We have heard the learned counsel for the parties and perused the available record.

6. It is an admitted position that the petitioners retired from the services of Respondent-KDA after attaining the age of superannuation and became entitled to receive all retirement and pensionary benefits in accordance with the applicable law, rules, and regulations. It is further not disputed by the respondents that the petitioners' dues on account of LPR, Provident Fund, Commutation, Gratuity, and other retirement benefits have already been determined and acknowledged by the department. The only defence put forth by Respondents No.2 to 4/KDA is that due to severe financial constraints and shortage of funds, the remaining retirement dues could not be released within time.

7. It is by now a settled principle of law that pensionary and retirement benefits are not a bounty or charity dependent upon the discretion or financial convenience of the employer, but constitute a vested and enforceable legal right accruing in favor of a retired employee upon completion of service. The august Supreme Court of Pakistan, in a catena of judgments including the case of *Haji Muhammad Ismail Memon v. Government of Sindh*, has categorically held that pensionary benefits are a continuing and recurring right attached to the livelihood and dignity of retired employees, and the same cannot be withheld on administrative or financial grounds. The Supreme Court has repeatedly directed all Government departments and autonomous bodies to ensure timely payment of

pensionary dues to retired employees and observed that delay in such payments amounts to denial of lawful entitlement guaranteed under the law.

8. It is also settled that financial hardship or the weak financial condition of a department cannot furnish a lawful justification to withhold admitted and accrued retirement dues of employees who have served the institution throughout their lives. The petitioners, after retirement, legitimately depend upon such benefits for their sustenance, medical needs, and livelihood. Delayed payment of pensionary benefits causes undue hardship, humiliation, and mental agony, particularly to senior citizens who are no longer in active service. The respondents themselves have admitted liability and acknowledged the outstanding dues payable to the petitioners; therefore, withholding payment for an indefinite period is neither fair nor legally sustainable.

9. At the same time, it cannot be ignored that similar matters relating to post-retirement dues of KDA employees had earlier come before this Court in C.P. No. D-1051/2019 and connected petitions, wherein a mechanism for phased payment under the supervision of the learned Official Assignee of Karachi was devised. It has also been brought on record that substantial amounts running into billions of rupees have already been disbursed to retired employees pursuant to orders passed by this Court. The respondents have further stated that efforts are being made to improve the financial position of KDA through the enhancement of governmental releases, the auction of properties, and the recovery of receivables.

10. In these circumstances, while the financial constraints of KDA may explain the delay, the same cannot extinguish or indefinitely postpone the lawful rights of the petitioners. Since the liability is admitted, the respondents are under a legal obligation to release the outstanding retirement and pensionary dues of the petitioners within a reasonable time in accordance with law and subject to the payment mechanism already devised by this Court in earlier connected matters.

11. For the foregoing reasons, these petitions are disposed of with directions to Respondents No.2 to 5 to ensure payment of the outstanding retirement and pensionary benefits of the petitioners strictly in accordance with their entitlement and seniority, through the mechanism already operating pursuant to the orders passed in C.P. No. D-1051/2019 and connected matters, preferably within a period of two months. In case the payment is not made within the stipulated period without lawful justification, the petitioners shall be at liberty to seek appropriate remedy in accordance with law.

12. So far as the claim of markup at the rate of 18% is concerned, since the delay appears to be attributable to the overall financial crisis being faced by KDA and not on account of any mala fide or discriminatory conduct specifically

directed against the petitioners, we are not inclined at this stage to grant the said relief. However, the respondents are expected to act diligently and expeditiously in clearing the admitted dues of retired employees, who should not be made to suffer endlessly after rendering long years of service.

13. These petitions, along with pending applications, stand disposed of in the above terms.

JUDGE

JUDGE

Shafi