

HIGH COURT OF SINDH, CIRCUIT COURT, HYDERABAD

C.P. No. D-1741 of 2024

[Ashfaque Ahmed Babar & others. vs. Province of Sindh & others]

C.P. No. D-419 of 2025

[Azizullah Memon. vs. Province of Sindh & others]

BEFORE:

Mr. Justice Adnan-ul-Karim Memon
Mr. Justice Riazat Ali Sahar

Petitioners: Through M/s Ghulam Mohiuddin Panhwar & Inderjeet D. Luhana, advocates

Respondent University: Through Mr. Muhammad Arshad Pathan, advocate a/w Legal Officer, respondent University (Riaz Hussain Mangrio)

Province of Sindh: Through Mr. Rafique Ahmed Dahri, Asst. A.G

Date of hearing: 11.11.2025

Date of decision: 11.11.2025

ORDER

ADNAN-UL-KARIM MEMON, J. Through these petitions, the petitioners, retired employees of Sindh Agricultural University, Tando Jam, seek payment of their retirement benefits.

2. Petitioners' counsel contends that despite retirement, the University has failed to release their pension and other benefits, leaving them no option but to approach this Court.

3. Conversely, the University's counsel states that monthly pensions are being paid, but other benefits cannot be released due to shortage of funds; correspondence with concerned departments is ongoing for fund release.

4. Learned Assistant A.G. Sindh submits that the University being an autonomous body is governed by its Syndicate and bears full responsibility for paying all retirement benefits to its employees.

5. Arguments heard record perused.

6. It is urged that Sindh Agriculture University (SAU), Tando **Jam**, currently caters over 8,000 students enrolled in diverse academic programs in agricultural engineering, crop sciences, animal sciences, social sciences, and information technology. Despite stringent financial management and efforts to

enhance internal revenue, the University is presently facing severe financial crisis. The primary cause is the mounting pension, commutation, and Leave Preparatory to Retirement (LPR) liabilities for more than 600 retired employees. The crisis has intensified due to retirement of a large number of faculty and staff members who joined during the University's inception period in the late 1970s. Between 2020-21 and 2024-25, pension expenditures increased sharply from Rs. 17.60 million to Rs. 135.94 million. As of 2024-25, total outstanding liabilities towards retirees amount to approximately Rs. 552.520 million. These payments have so far been met through the University's regular grant and internal revenue generation, which have proved insufficient to meet the growing burden.

7. In view of this situation, Vice Chancellor of the University made a request to the Chief Minister of Sindh, seeking approval of Special Grant-in-Aid of Rs.500 million. The Vice Chancellor emphasized that this financial support is critical to honor the University's commitments to its retired employees and to ensure continuity of academic and research activities without disruption. Upon the request of Vice Chancellor, the Chief Minister's Secretariat endorsed the matter to Universities & Boards Department for necessary examination and recommendations. It was noted that a similar request had been moved earlier but was declined by the Finance Department on the ground that the University already receives substantial annual grants of Rs. 990.266 million from Federal HEC and Rs.1,491.000 million from the Government of Sindh. However, an additional Special Grant of Rs.100 million was approved for FY 2024-25, and the University's regular grant was proposed to be increased by approximately 20%, from Rs.1,491 million to Rs.1,789.200 million. The Universities & Boards Department, after detailed examination, observed that public sector universities are autonomous bodies responsible for managing their operational and non-operational expenses through their own revenue generation mechanisms. While acknowledging the University's financial hardship, the Department reiterated the need for SAU to develop sustainable revenue-generation strategies rather than relying repeatedly on special grants from the provincial government. Subsequently, the Sindh Higher Education Commission (SHEC) reviewed the case and sought updated details from the University regarding pension liabilities, grants received, and measures taken for financial sustainability. The Director Finance, SAU, provided liability details but did not indicate any concrete plan for future mitigation. The record shows that over the last three financial years, the Government of Sindh has extended significant financial support to SAU as follows:

Financial Year	Regular Grant (Rs. in million)	Special Grant (Rs. in million)	Total (Rs. in million)	Description
2022-23	967.00	400.00	1,367.00	Regular & Special Grants (including employee liabilities, LPR, GP Fund & Pension contribution)
2023-24	1,641.00	0.00	1,641.00	Regular Grant
2024-25	1,964.00	100.00	2,064.00	Regular & One-Time Special Grant
Total	4,572.00	500.00	5,072.00	—

8. Given these allocations, the SHEC recommended that the Vice Chancellor, SAU, Tando Jam should be advised to prepare a comprehensive and workable financial plan for gradual clearance of pension liabilities, ensuring long-term sustainability and reduced dependence on special grants.

9. In view of above discussion, it appears that while the respondent University has been facing genuine financial constraints due to growing pension and retirement liabilities, the right of the petitioners to receive their pension and retirement benefits is an inalienable and constitutionally protected right, forming part of their deferred earnings. Financial hardship or administrative delay cannot justify withholding these lawful entitlements. The University being an autonomous body, remains primarily responsible for ensuring timely disbursement of pension and allied benefits to its retired employees. However, considering the exceptional financial circumstances detailed above, the Government of Sindh, through its relevant departments, is expected to extend necessary facilitation to the University to ensure that the legitimate dues of the petitioners and other pensioners are cleared without undue delay.

10. Accordingly, the respondent University is directed to prioritize the payment of pension and retirement benefits to all eligible retirees in a phased and time-bound manner, i.e., six months positively without fail. The University shall also prepare and submit to the Sindh Higher Education Commission (SHEC) and the Universities & Boards Department a comprehensive financial recovery and sustainability plan within one month, outlining measures for generation of internal revenue, cost rationalization, and future pension fund management. The Government of Sindh, through the Universities & Boards

Department and SHEC, shall oversee the implementation of said plan and extend appropriate support or facilitation where genuinely required, so as to safeguard the welfare of retired employees and ensure the uninterrupted functioning of the University. With these observations and directions, these petitions stand disposed of, safeguarding the rights of the petitioners while maintaining administrative balance between institutional autonomy and the legitimate claims of pensioners.

JUDGE

JUDGE

Sajjad Ali Jessar