IN THE HIGH COURT OF SINDH AT KARACHI CP. No. D-1979 of 2013

(Abdul Razzaque Memon v National Bank of Pakistan & others)

Date

Order with signature of Judge

Before:

Mr. Justice Muhammad Karim Khan Agha Mr. Justice Adnan-ul Karim Memon

Date of hearing and Order: 23.04.2025

Mr. Shah Bakht Pirzada advocate for the petitioner

Ch. Azhar Elahi advocate for the respondent

Mr. R.D. Kalhoro, Assistant Attorney General

<u>ORDER</u>

Adnan-ul-Karim Memon, J: The Petitioner seeks a court order compelling the respondent bank to equalize his compensation and benefits with similarly qualified peers hired concurrently; reinstate his seniority to his initial appointment date (May 5, 1996) with full financial implications; and guarantee equal treatment in training, postings, and promotions relative to his comparable colleagues.

2. In 1995, the Petitioner, a qualified engineer, applied for a Grade-III officer position at the National Bank of Pakistan. After completing the required test and interview, he received an appointment letter dated May 5, 1996. However, due to the dismissal of the government at that time, which the Petitioner believes was politically motivated, he was prevented from joining the bank. Meanwhile, his similarly qualified colleagues were employed and have since received promotions. The bank allegedly did not explain, preventing his initial employment. Subsequently, Ordinance No. Act II of 2009 was enacted, concerning employees dismissed between 1996 and 1998, which the Petitioner believed applied to his situation. He contends that despite contacting the bank after the ordinance's enactment, he was still not permitted to commence his duties. Consequently, the Petitioner filed Constitutional Petition (D-106/2010) in this Court seeking relief under the aforementioned ordinance/Act of 2010. During the court proceedings, the bank offered a compromise. As a result, the Petitioner was allowed to join the bank effective May 12, 1996 (the original intended start date), contingent upon fulfilling the requirements of his initial appointment letter. This agreement was formalized by a court order issued on December 8, 2011. Since joining the bank, the Petitioner claims to have faced continuous discrimination, physical hardship, and mental distress, allegedly aimed at forcing his resignation. He was posted to a remote and challenging location in Diplo, Tharparkar. Furthermore, his application for medical leave for an acute skin condition was denied, despite his entitlement as a regular employee and a doctor's recommendation. He alleges that he was denied salary, travel and daily allowances (TA/DA),

bonus, and other allowances for nine months, causing significant financial hardship. Despite the compromise stipulating his appointment was effective from May 5, 1996, the Petitioner's basic pay was fixed from February 25, 2012 (the date he resumed duty) at a rate significantly lower than his colleagues and even less than his previous salary in the Labour Department. He argues this constitutes a violation of the court order and the agreed terms. Moreover, his basic pay was allegedly set below the minimum rates prescribed in the bank's own circulars. Additionally, his initial pay slip indicated a lower grade than what he believes he is entitled to. The Petitioner highlights the cases of colleagues with comparable qualifications who were appointed to the correct grade and have experienced career progression, while he is subjected to unfair treatment. Finally, the Petitioner states that despite a clause in the compromise agreement concerning the transfer of his retirement benefits from his previous employment in the Labour Department, the bank has allegedly refused to recognize this prior service for his current employment benefits.

- 3. The Petitioner's counsel contended that his client, despite a 1996 Grade-III job offer, was unfairly prevented from joining due to suspected political reasons while peers advanced. He was only able to join in 2011 through a court-mandated compromise with retroactive seniority. However, post-joining, the Petitioner has endured discrimination (remote posting, denied leave, unpaid wages), lower pay than colleagues (violating the agreement and court order), an incorrect initial grade, and the bank's refusal to acknowledge his prior service for retirement benefits, breaching the compromise terms. Counsel argued that the bank's non-compliance with the December 8, 2011, court order is unlawful and constitutes gross discrimination and hostile treatment. He further asserted that violating the agreement amounts to deceiving the court and disregards the bank's regulations. The denial of seniority and financial benefits from the original appointment date is illegal, and the bank's actions defy law, justice, and equity, especially considering similar cases where employees received back benefits upon reinstatement. Consequently, he requested the Court to allow the petition.
- 4. The bank's learned counsel argues that this petition should be dismissed based on the principle of Res Judicata, as the matter was already settled by this Court's order on December 8, 2011. He asserts that since the Petitioner agreed to the compromise and resumed his duties under those conditions, he is now legally barred from challenging it. The bank considers the Petitioner's current application an attempt to alter a previously finalized court order. Furthermore, counsel stated that because the Petitioner was previously a workman, his prior service cannot be

counted by the respondent bank, as his appointment in 2012 was a fresh start. Regarding the case of Ikram Bari, the learned counsel for the bank submitted that the Petitioner has failed to provide sufficient details about this employee. Therefore, the Petitioner cannot be granted the same relief he is seeking based on this comparison. He therefore requested the dismissal of the petition. We disagree with the respondent bank's counsel argument that the Petitioner's service in labour department should not count towards pension and pay fixation and other service benefits. We are of the view that the Petitioner is entitled to the benefit of the Supreme Court's judgment reported as (2021 SCMR 1546). Therefore, prima facie, the respondent-bank's competent authority was/is obligated to comply with this Court's previous order and the Supreme Court's ruling on the subject issue.

- 5. We have heard learned counsel for the parties and have perused the material available on record with their assistance and case law.
- 6. The Petitioner alleges continued unfair treatment and non-compliance with the previous court order and compromise agreement, while the bank submitted that the matter was settled by the previous court order discussed supra and cannot be reopened.
- The case history shows that the parties previously resolved their dispute through a court-mediated compromise. This agreement specified that the Petitioner's application was properly submitted (as per the Labour Department's letter of July 24, 1995). The National Bank of Pakistan offered him a Senior Assistant position, subject to the conditions in his appointment letter dated May 5, 1996 (Annexure II). The Bank also agreed to the transfer of his service record from the Labour Department for retirement benefit purposes. This offer had a one-month validity. The Court accepted this compromise, noting the signed agreement from both counsels and the Petitioner, and the lack of objection from the Standing Counsel, leading to the disposal of the petition and related applications as per the agreed terms. Following this, the SVP/Regional Head of the National Bank of Pakistan issued Office Order No. ROH HRMT & PIMR/2012/7795, allowing the Petitioner (formerly a Labour Inspector Shops & Esstt in Hyderabad) to join the Bank and assigning him to the Diplo branch. Additionally, his pension benefits were transferred from the Labour Department to the Respondent Bank.
- 8. At first glance, the previously reached settlement between the parties cannot be revisited now. However, the court order dated December 8, 2011, and the terms of their compromise agreement, which has become final, must be strictly followed. Therefore, attempting to appoint the Petitioner to a new category is unwarranted. As the Petitioner, formerly a

Labour Inspector (Shops & Establishment) Zone 'C' Hyderabad, was relieved from his duties specifically to join the National Bank of Pakistan under this compromise (endorsed by this Court on December 8, 2011 in Constitutional Petition No. D-106/2010), as such his prior service must be taken into account for pension, pay determination, and other employment benefits in terms of Civil Service Regulation (CSR) Article 371-A(i) as well as in terms of compromise application. on the aforesaid proposition, we are guided by the decision of the Supreme Court in the cases of *Nafees Ahmad V/S Government of Pakistan and others*, 2000 SCMR 1864, *Ch. Muhammad Azim V/S The Chief Engineer, Irrigation and others*, 1991 SCMR 255, *Chairman, Central Board of Revenue and others V/S Nawab Khan and others*, 2010 SCMR 1399. And the case is reported as (2021 SCMR 1546). Besides, this protection is also provided under Fundamental Rule 22-A.

9. Considering the aforementioned facts and circumstances, this petition is hereby disposed of with the following directives to the respondent bank's competent authority:

Strictly adhere to the terms of the order dated December 8, 2011, issued by this Court in Constitutional Petition No. D-106/2010.

Treat the Petitioner's service from his initial appointment date in the Labour Department as continuous for pension and pay fixation in the Bank.

In the interim, the Petitioner shall be considered equitably with his batchmates for seniority and promotion, provided his service record is satisfactory, that is, without any discrimination.

The matter of arrears for the intervening period shall be considered for payment to the Petitioner, taking into account the factors discussed earlier.

JUDGE

Head of the Constitution Benches