

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

Constitutional Petition No. D-986 of 2014
(Muhammad Khursheed & others v Federation of Pakistan & others)

Date	Order with signature of Judge(s)
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Before:
Mr. Justice Muhammad Karim Khan Agha
Mr. Justice Adnan-ul-Karim Memon

Date of hearing and order: 11.4.2025

Mr. Muhammad Ramzan advocate for the petitioners
Ms. Wajiha Mehdi, Assistant Attorney General

ORDER

Adnan-ul-Karim Memon, J: The petitioner humbly requests this court to:

1. *To direct the respondent No.2 to fix/ restore the basic pay Rs. 30,450/- from the month of April, 2012 to its original position as in March 2012 onward, and also pay all back benefits, allowances following the basic pay fixation formula as pay slip issued in the month of March, 2012.*
 2. *To restrain the respondents ' subordinates from taking any adverse action or order against the petitioner till the final decision of the petition*
2. The petitioners were initially employed by Pakistan Steel Mill (respondent No. 2) on various dates in the late 1970s and early 1990s as skilled workers. Recognizing their good performance, they were later promoted to the position of Assistant Manager on January 2, 1989. Subsequently, they were transferred to respondent No. 2 (which is identified as a subsidiary of respondent No. 3) via a letter dated January 28, 2000. On July 29, 2008, respondent No. 2 issued a circular (No PSF/Admin/2008/151) aiming to align its pay scales with those of Pakistan Steel Mill. Following the submission of undertakings by the employees, their basic pay was adjusted to match Pakistan Steel Mills' scales, except for petitioner No. 1.
3. The learned counsel for the petitioners argued that the respondent did not fully comply with the court's order, implementing it partially after a delay of 507 days instead of the mandated 60 days. The petitioners were subsequently promoted from Assistant Manager to Deputy Manager on March 12, 2012, as per letter No. SF/Admin/2012/2012/371 dated March 23, 2012. Counsel further stated that at the time of promotion, their basic pay was Rs. 29,365/- with an additional personal pay of Rs. 3,875/-. Upon promotion to Deputy Manager, the basic pay was fixed at Rs. 30,450/-, and respondent No. 2 issued pay slips for March 2012 for all petitioners except petitioner No. 3, whose basic pay was fixed at Rs. 29,525/- according to clause 7.3, Chapter VII of the PSFCL Officers Service Rules and Regulations. The counsel alleged that respondent No. 2, with malicious intent, deliberately withheld pay slips for four months (April to

July 2012). Furthermore, it was contended that respondent No. 3 flagrantly violated the PSFCL Officers' promotion policy/formula, which dictates that no employee's salary should be reduced and that promotions must result in placement in a higher pay scale with a minimum benefit of one increment in that higher scale. If the benefit is less than one increment, an additional increment should be granted. Finally, the counsel requested that the court grant the present petition.

4. Ms. Wajiha Mehdi, the Assistant Attorney General, argued that the petitioners have no legal connection with respondent No. 3, a fact evident from the petition's contents and the documents submitted by the petitioners themselves before the court. She pointed out that the petitioners addressed their grievances to the CEO of respondent No. 2, which, as its name suggests ("Limited company"), possesses its own separate legal identity. Furthermore, she emphasized that the petitioners have not sought any specific relief against respondent No. 3, clearly indicating that no cause of action exists against this particular respondent. Consequently, she concluded by requesting the dismissal of the present petition.

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

6. This court noted that similar petitions (CP Nos. D-5176/2013 and D-151/2014) had been previously allowed by a Divisional Bench, directing the regularization of those petitioners' services based on a Cabinet Sub-Committee decision from March 12, 2013. This judgment was upheld by the Supreme Court of Pakistan, which dismissed Civil Petitions Nos. 121-K and 122-K of 2017 challenging it. However, the issue involved in the present proceedings is altogether different and has no nexus with the aforesaid cases so far as their pay protection is concerned.

7. Regarding the petitioners' employment, Respondent No. 3 stated that Petitioners 1-3's services were absorbed into Pakistan Steel Fabricating Company Limited (Respondent No. 2) in 1982/1983, and Petitioner No. 4 was appointed and promoted by Respondent No. 2 in 1983. They clarified that the petitioners were returned to Respondent No. 2 as their employees and confirmed a 2008 pay scale revision by Respondent No. 2. While denying non-compliance with court orders, they addressed the post-promotion pay. They admitted an initial incorrect fixation at Rs. 30,450/- due to a genuine error, which an internal audit corrected based on the petitioners' pre-promotion pay of Rs. 28,600/- as Assistant Managers. Consequently, the Deputy Manager pay was also correctly set at Rs. 28,600/-. They explained a management committee reviewed and recommended this correction after the audit. Respondent

No. 3 maintained they followed company rules in adjusting the salary, denied malicious intent in decreasing pay, and argued that correcting a genuine overpayment does not grant petitioners a right to the excess amount.

8. The petitioners are reportedly retired, and one has passed away during the case's proceedings, although no updated title reflecting this has been submitted. The core issue is the restoration of their basic pay to its pre-April 2012 level, particularly considering the cessation of Pakistan Steel's operations in 2015 and the retirement benefits already received by the petitioners. As such, no further cause of action appears to exist. The petition seems to have become ineffective ("infructuous") due to the closure of the Steel Mills after 2015. Therefore, remanding the case to Pakistan Steel or its affiliated company to re-fix the petitioners' pay after their retirement would be unproductive. Consequently, this petition is dismissed.

JUDGE

Head of Constitutional Benches