

IN THE HIGH COURT OF SINDH AT KARACHI

CP. No. D-1749 of 2015

(Abdul Wahid & others v Federation 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: 14.04.2025

Mr. Faizan Hussain Memon advocate for the petitioners.
Nemo for respondent No.2
Ms. Wajiha Mehdi, Assistant Attorney General.

ORDER

Adnan-ul-Karim Memon, J: The petitioners request this court to:

1. *Declare that the failure of the respondents to treat the petitioners' regular confirmed employees of FMU by issuing proper service confirmation orders effective from completion of one year of probation and extend the benefits of FMU Staff Rules, 2009 including pay scales, implementation of policies of SBP as per Rule 31 and justified nomenclatures as approved by Prime Minister is illegal, unlawful, malafide, arbitrary and discriminatory.*
2. *Direct the Respondents to treat the petitioners as regular confirmed employees of FMU by issuing proper service confirmation orders effective from the completion of one year of probation and extend them benefits in accordance with FMU Staff Rules, 2009 including pay scales, implementation of policies of SBP as per Rule 31 and justified nomenclature as approved by Prime Minister with effect from the date of appointment forthwith.*
3. *Direct the Respondents that when framing a new benefits structure in accordance with Rule 31 of FMU Staff Rules 2009, the petitioners shall not be provided with any benefit less beneficial to them than the presently applicable SBP policies in vogue.*

2. Petitioners were appointed to the Financial Monitoring Unit (FMU) in 2009 following an advertisement; the petitioners claim unfair service terms and discrimination. They allege that despite diligent work, the Federal Government (Respondent 1) and the FMU (Respondent 2) have treated them unfairly. Initially lacking its structure, FMU adopted State Bank's (SBP) job titles and salary scales from 2007 for the subject appointments. The recruitment, approved by the National Executive Committee (NEC), involved a committee that considered Joint Director roles equivalent to FMU Directors. While Financial Monitoring Unit Staff Rules 2009 were notified, and SBP policies were initially meant to apply for benefits under Rule 31, however, the petitioners claim they have not received the Prime Minister's approved job titles and pay scales as committed. Their lump-sum salary offers allegedly violated FMU rules. Despite the DG FMU's attempt to align job titles, the petitioners claim the process disregarded initial advertisements and SBP equivalencies.

Re-designations in 2012 allegedly downgraded some petitioners' roles and pay unfairly, creating disparities and seniority issues. They also have not received pay scale revisions matching SBP's increases since 2007, unlike SBP officers on deputation in FMU who received such benefits. Unconfirmed despite satisfactory performance and unanswered appeals, the petitioners submitted that this discriminatory treatment violates Article 25 of the Constitution, seeking this court's intervention for fair treatment and equal benefits.

3. The petitioners' counsel argued that the Respondents acted illegally and discriminatorily by not confirming post-probation employees and unlawfully denying FMU Staff Rules 2009 benefits. He contended that the Respondents imposed illegal offer terms contradicting FMU Staff Rules, violating their right to Prime Minister-approved pay scales and job titles. Counsel asserts unlawful alteration of service terms and discrimination against petitioners compared to SBP officers violates Article 25 of the Constitution. He further argued that the Respondents acted without legal authority, with discrimination and justification, denying equal treatment under Article 25 and violating their fundamental rights under Articles 14, 18, 25, 27, 2-A, and 4 of the Constitution through unreasonable and unfair decisions. Finally, the petitioners claim the Respondents failed to act judiciously, promptly, and objectively, treating petitioners arbitrarily and whimsically, violating Articles 4 and 25, and committing illegal, mala fide, and baseless acts. He prayed for allowing the petition.

4. Learned AAG argued for FMU's independence and autonomy, headed by a DG appointed with SBP consultation and General Committee oversight. She stated that the only actions of the FMU validated from 5th January 2008 are related to Anti Money Laundering Ordinance/Act (AMLA) 2010 validated. Job titles were advertised without SBP grades, re-designation followed NEC approval, and no SBP grade equivalence was mentioned (except Officer Grade-2). Under AMLA 2010, NEC approves FMU's finances and staffing, unlike AMLO 2007. Petitioners received annual monetized increases, leave, and TA/DA; revised Staff Rules are pending. Petitioners were offered lump-sum pay based on advertised scales. CPF, gratuity, and pension, absent under AMLO 2007, are in the revised Staff Rules. Advertised designations aligned with the Prime Minister's approved nomenclature after NEC concurrence. FMU is independent with its hierarchy; lump-sum pay without grades and post-NEC re-designation occurred (not admitted). Petitioners received AMI, sometimes exceeding limits; revised rules and confirmation are pending. The Prime Minister approved monetized pay scales; the advertisement

lacked OG scales (except Officer Grade-2), and designations were later aligned. She prayed for the dismissal of the petition.

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

6. From 2010-2016, before formal FMU rules, petitioners submitted that Clause 31 of 2009 rules mandated applying State Bank of Pakistan (SBP) policies to their perks and privileges. They highlight that FMU adopted SBP's Monetized Salary Scales, approved by the PM, to attract market specialists with competitive packages. Petitioners contended that the same rationale necessitates implementing SBP's employee benefits at FMU, as SBP policies on appraisal, increments, TA/DA, and leave are already in effect for them. Despite lump-sum salaries upon appointment, governed by FMU rules (approved earlier than stated), petitioners were placed on SBP-aligned FMU scales. They pointed out that SBP officers at FMU received full SBP benefits per Rule 9(xiii). Thus, petitioners asserted that FMU Rule 31 entitled them to SBP's allowances, benefits, perks, and perquisites. Having served for several years without any issue, their non-confirmation contradicts FMU rules. They submitted that benefits like Employee Loans are limited to confirmed staff, causing frustration and resignations, including trained Analysts. Therefore, the petitioners requested that the application of SBP-related benefits under FMU Rule 31 from their appointment date and confirmation of their service as per FMU rules after completing probation.

7. The aforesaid stance has been refuted by the respondents with the narration that the Petitioners' current pay is based on their appointment letters (Annexures "F" to "F-8"). Additionally, the FMU is an autonomous body, and the Anti-Money Laundering Act 2010 (Section 46) validates its actions since January 5, 2008.

8. The Petitioners were appointed to the Financial Monitoring Unit (FMU) in 2009 under recruitment rules stating that State Bank of Pakistan (SBP) policies would apply until NEC approval. Considering the Petitioners' argument that these SBP policies were in effect during their relevant period of service, subsequent rule changes should not affect their terms.

9. In view of the aforesaid reasoning, the competent authority of the respondents is directed to reconsider the Petitioners' entitlement to the claimed perks and privileges in accordance with the law, within three months from the date of this order, after granting the Petitioners a hearing.

10. This petition is disposed of in these terms.

JUDGE

Head of Const. Benches