

IN THE HIGH COURT OF SINDH AT KARACHI

CP. No. D-3583 of 2019

(Ch. Muhammad Shafique Asghar and 31 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: 06.05.2025

Mr. Ameeruddin advocate for the petitioners.

Mr. Adnan Zafar advocate for the respondent PSM

Ms. Wajiha Mehdi, Assistant Attorney General

ORDER

Adnan-ul-Karim Memon, J: Ex-employees of Pakistan Steel Mills (PSM) who retired on superannuation seek the immediate release of their outstanding retirement benefits (gratuity, provident fund, leave encashment, other financial benefits, and arrears of increments).

2. The counsel for the petitioners argued that the non-payment violates their fundamental rights and legitimate expectations. He contended that the respondents, including the Ministry of Finance and the Ministry of Industries & Production, are obligated to arrange and pay these benefits upon retirement, citing a similar successful case before this Court. He accused the respondents of illegally withholding these dues with malafide intent, leaving them with no other recourse but to petition this court for enforcement of their service rights under the Constitution. He requested the court to declare the respondents' duty to pay these benefits with a market-rate markup and to award costs. He lastly stated that for 35-40 years of service (1983-2019), the principal amount of the provident fund ranges from PKR 4,000,000 to 4,500,000 and the respondents are liable to pay interest on the provident fund, for which the petitioners are entitled which has been withheld.

3. The learned counsel representing PSM has opposed this petition on the ground that PSM is not functional since 2015 and unable to pay any sort of amount to the petitioners, however he disputed the factum of payment of increases on provident fund. He prayed for dismissal of the instant petition.

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

5. Pakistan Steel Mills has been non-functional since June 2015 due to financial difficulties. The government's ECC approved a retrenchment plan to cut financial burdens, leading to a gas supply shutdown. The mills had amassed losses and substantial debt. The plant is currently idle, and

the government plans its permanent closure. However the subject issue needs fulfilled determination which is not possible through constitutional petition under Article 199 of the Constitution.

6. Determining the accurate amount of interest on the provident fund, claimed by the petitioners to be between PKR 4,000,000 and 4,500,000, necessitates the recording of evidence, a process that falls under the purview of a court with ordinary jurisdiction.

7. Considering the aforementioned facts and circumstances, we see no valid reason to continue with this petition. It is therefore dismissed, along with all pending applications. The petitioners are at liberty to pursue their claims for outstanding dues through a competent court of law.

JUDGE

Head of the Cost. Benches