

FEDERAL CONSTITUTIONAL COURT OF PAKISTAN
(Original/Appellate/Advisory Jurisdiction)

PRESENT:

Justice Amin-ud-Din Khan, Chief Justice
Justice Aamer Farooq
Justice Ali Baqar Najafi

FCPLA No. 388 of 2025

[against the impugned judgment dated
23.10.2025 passed by Islamabad High Court,
Islamabad in W.P.No.2023 of 2019]

State Life Insurance Corporation of Pakistan Petitioner (s)
Rawalpindi

Versus

The Registrar Trade Unions, NIRC, Islamabad Respondent (s)
and others

For the Petitioner (s) : Mr. Shahid Anwar Bajwa, ASC
Mr. Muhammad Yousaf, Manager/
Incharge, SLIC
Mr. Danish Waqar Ansari, Law
Officer, SLIC

For the Respondent(s) : Mr. Muhammad Asif, ASC

Date of Hearing : 18.09.2026

JUDGMENT

ALI BAQAR NAJAFI, J. Through this petition under Article 175(F(1)(C) of the Constitution of Islamic Republic of Pakistan, a leave to appeal is sought against the impugned judgment dated 01.09.2025 (announced on 23.10.2025) passed by Islamabad High Court, Islamabad whereby it upheld the order dated 11.03.2019 passed by The Registrar, Trade Union NIRC/respondent No.1 and concurrently dismissed the application of the petitioner filed under section 11 of the Industrial Relations Act, 2012 (“**IRA, 2012**”) for the cancellation of registration of State Life Field Workers Associations registered on 31.12.2013.

2. Briefly the facts giving rise to the filing of this petition are that respondent No.4/Agha Sohail Kamran (Secretary General) filed an application for registration of trade union i.e. State Life Field Workers Association/respondent No.2 which was allowed and the registration Certificate No.4/2013 dated 31.12.2013 was issued. This fact came into the notice of the petitioner in the year 2014, when the said State Life Field Workers Association/respondent No.2 filed an application under section 19 of the **IRA, 2012** to declare it as the Collective Bargaining Agent (**CBA**) of the petitioner-corporation. However, the same was rejected on 21.04.2021 while holding that the field workers were not the permanent employee of the petitioner-corporation which, as per record, was not assailed before the higher authority. Meanwhile, the petitioner filed an application under section 11 of **IRA, 2012** for cancellation of registration of the respondent No.2 before respondent No.1 as trade union, *inter alia*, on the grounds that field workers were not the employees of the petitioner/ corporation as given in Regulation 2(c) of the State Life Employees (Service) Regulations, 1973 (**Regulations, 1973**). However, the said application was dismissed on 11.03.2019 which order was assailed by the petitioner before Islamabad High Court, Islamabad where the impugned order of dismissal was passed, hence this petition.

3. Mr. Shahid Anwar Bajwa, ASC learned counsel for the petitioner contends that the Supreme Court in CPLA No.868-K of 2002 & CPLA No.869-K of 2002 has already decided the matter vide order dated 01.11.2005 in favour of the petitioner which was

also relied upon by the Lahore High Court in Shahzada Sohail Kamran's case¹, the decision of the Full Bench of NIRC in Appeal No.12R(35)/2021 on 24.06.2022 following the same view was not considered either by the respondent No.1 or the High Court; the judgment passed in W.P.No.D-240/2019 and D-120/2019 was also not taken into account whereby it was held that the field workers were not the employees of the petitioner-corporation; that in the employment contract it is specifically mentioned that the field workers were not the employees of the petitioner-corporation, therefore, prays for setting aside the order impugned before this Court.

4. Conversely, learned counsel for the respondent has supported the order of the Islamabad High Court as well as the Registrar/respondent No.1 by submitting that under section 2 **IRA, 2012**, a worker and workman is defined as a person engaged for remuneration directly or through a contractor without limiting his relationship to a regular employee or to any particular mode of payment, therefore, the respondents are employees of the petitioner-corporation since they get remuneration of their commission in lieu of their service, though not acting as a regular staff of the petitioner-corporation but exercising the functions under its supervisory control and therefore, prays for dismissal of the petition.

5. Arguments heard. File perused.

6. The basic question raised before this court is as to whether the State Life field workers are entitled to be registered as a trade

¹ "Shahzada Sohail Kamran etc. Vs. Chairman State Life Insurance Corporation (2019 PTD 128 (Lahore))

union and then as a Collective Bargaining Agent (**CBA**). In order to search for an answer, we have been rendered valuable assistance by both the learned counsels, of course, who represented the divergent interests of their respective clients. The case of the petitioner is that under Regulation 2(c) of the **Regulations, 1973** made under Article 49 of the Life Insurance (Nationalisation) Order, 1972, with previous approval of the Federal Government, an employee of the State Life Insurance Corporation of Pakistan means a full time employee of the Corporation on monthly salary, but does not include salaried field officials whose emoluments are dependent on procreation of the business except those classified as Area Managers by the competent authority. Under Regulation 4, the grades and pay scales of the posts in the Corporation have been enumerated under which, amongst others, the Executive Officers, Assistant Manager, Deputy Manager, Area Manager, Manager, Assistant General Manager, Deputy General Manager and General Manager have been defined. Under regulation 4(ii) the Area Manager is further divided into the one on the special basis, who is entitled to draw pay, and the other as the area manager on ordinary basis who draws a fixed pay plus special incentive bonus as prescribed by the Board from time to time. Under clause (c) an area manager was entitled to meet the performance standards regarding new business, persistency and other operational factors determined by the Board and under sub clause (2) his performance shall be reviewed by the Zonal Head on a six monthly basis. In the event of his performance falling short of the standard, his services

may be dispensed with by issuing 03 months notice or may face reduction or curtailment or withdrawal of emoluments.

Regulations 2(c) and 4 of the **Regulations, 1973** are reproduced as under for ready reference:-

“Section 2(c).

“employee” means a full time employee of the Corporation on monthly salary, but does not include salaried field officials whose emoluments are dependent on procurement of business except those who are classed as Area Managers by the competent authority.”

Section 4.
Officers Pay Scales

Grade/Pay Scale No.	Posts	Pay Scales
8(b)	Executive Officer	1675-140-3775
9	Assistant Manager	2560-195-4900
10	Deputy Manager	3200-245-5650
10(a)	Area Manager	Special Basis or Ordinary Basis as per clause (ii)
11	Manager	4635-255-7185
12	Assistant General Manager	4960-275-7710
13(a)	Deputy General Manager	5765-285-8615
13(b)	General Manager	6720-360-9600

7. To understand the status of such field workers, their list was required to be prepared by the petitioner/corporation but they stated that the field workers were changing everyday if they had failed to achieve the targets assigned to them by the employers, and that many are employed or hired on daily basis, therefore, they were not in their employment.

8. Besides, under section 2 of **IRA, 2012** a person engaged for remuneration directly or through a contractor without limiting the relationship to a regular employee or to any particular mode of payment are regarded as worker or workman. The High Court in the impugned judgment has observed that respondent No.2 were indirect employees of the petitioner/corporation to generate business for the corporation and thereafter, got their remuneration

/commission in lieu of their services rendered to the petitioner/corporation while performing their functions under the supervision/control. However, this aspect was dealt with in the judgment dated 14.02.2025 of NIRC in case No.4B(153)/2024-M, CMA No.24B(100)/2024-M and Case No.7(04)/2025-M according to which the order passed in CPLA No.868-K & 869-K of 2002 dated 01.11.2005 (*supra*) was relied upon and it was held that the field workers were not considered as employees of the corporation. A reference was also given to the Shahzada Sohail Kamran Khan's case¹. Both judgments had escaped from the notice of the learned Bench.

9. We have gone through the said judgment of the Supreme Court to appreciate whether view expressed therein was rightly relied upon and have found ourselves in unison with the view taken therein that the field workers were not the regular employees of the petitioner/corporation as defined under section 2(c) of the **Regulations, 1973** which defines, an employee as a full-time employee of the corporation on monthly salary but does not include salaried field officials whose emoluments are dependent on procurement and fetching of the business. The Area Manager and the Chief Manager, on the other hand, were excluded from such category. Those employees were, therefore, not found entitled to file a writ petition which was dismissed on question of maintainability. The same view was upheld in Shahzada Sohail Kamran's case¹ (*supra*).

10. Besides, an overview of the Insurance Ordinance, 2000 (**Ordinance, 2000**) shows that Section 3 permits the division of

insurance business into life and non-life insurance business. A person could act as an agent under section 96 in respect of insurer if that person or, in the case of a body corporate, any director of the body corporate, or officer of the body corporate engaging in the business of insurance agency, do not fall under disabilities mentioned in this section. Under sub section 2, a written contract is required. Under sub section 4, a contract of agency shall include a condition that the agents must obtain the permission of the insurer before entering into a contract of agency. Under section 97, a minimum qualification for an agent may be prescribed in terms of education and requirement of experience in industry. Under section 98, an insurer shall maintain register of all agents and after one year a declaration was required to be submitted by all such agent in respect of the information provided by him and the compliance of the requirements of the ordinance and any other matter which is prescribed under the law. Under section 99, any sums received by an insurance agent from the policy holder or an insurer, other than remuneration payable to the agent by the insurer, shall be deemed to be held on trust for the insurer and the payment by a policy holder to the agent shall be deemed to be a payment made to the insurer and any payment be deemed to have passed on within two weeks.

11. It is pertinent to observe that the contracts of the Sales Manager, Sales Officer and Sales Representatives available on record provides that the said designations are distinct from an employee under State Life Insurance (Service) Regulations, 1973

and they fall under the definition of field worker which includes Sales Manager, Sales Officer and Sales Representatives as their earnings are based upon the percentage/commission payable in relation to the policies and clients procured by them.

12. We have also noticed that in the order dated 03.04.2019 passed in C.P.No.210/2019 and 240/2019 by the High Court, it has already been held that in terms of section 2(c) of the Regulations, 1973, the field staff were not full-time employees, therefore, they were not considered as a regular employees and could not file a constitutional petition in which a reference was also given to the said order passed in CPLA No.868-K of 2002 (supra) whereafter the said petition was not pressed.

13. In this view of the matter, we are of a considered view that the impugned order cannot be sustained before us as it was passed oblivious to relevant law, therefore, this petition is converted into appeal and is **allowed**.

CHIEF JUSTICE

JUDGE

Islamabad
18.09.2026
NOT APPROVED FOR REPORTING
A.Qadoos*

JUDGE