

OFFICE OF THE FEDERAL OMBUDSPERSON

FOR PROTECTION AGAINST HARASSMENT OF WOMEN
AT THE WORKPLACE, REGIONAL OFFICE LAHORE
ORDER SHEET

COMPLAINT NO: FOH-LHR/000042/2025

Date of Institution: 12-12-2025

Serial No. of Order of Proceedings	Date of order of Proceedings	Order of other proceedings with Signature of Federal Ombudsperson		
		Syed Basit Ali	Vs	State Bank of Pakistan & Others
1	2	DEPARTMENT: STATE BANK OF PAKISTAN		
05	16-02-2026	<p>SUBJECT: FINAL ORDER</p> <p>This order shall decide the objections raised in the written defense regarding the maintainability of the complaint filed by Syed Basit Ali (hereinafter referred to as the “Complainant”) against the State Bank of Pakistan through the Governor (Accused No.1), Managing Director SBP BSC (Accused No.2), Zulfiqar Khokhar, Head HRMD SBP (Accused No.3), and Tariq Riaz, Chief Manager SBP BSC (Accused No.4) (collectively referred to as the “Accused”). Since no further evidence is required and the material facts are admitted, the complaint under Section 8 of the Protection Against Harassment of Women at the Workplace Act, 2010 (hereinafter referred to as the “Act of 2010”) is also being finally adjudicated through this order.</p> <p>1. The Complainant is serving as OG-1 in the Banking Services Corporation (BSC/Organization), a subsidiary of the State Bank of Pakistan (SBP). He submits that upon the birth of his son on 04.04.2025, he applied on 10-04-2025 to Accused No. 4 for thirty (30) days' paternity leave under Section 4 of the Maternity and Paternity Leave Act, 2023 (hereinafter referred to as the “Act of 2023”). His request was declined on the ground that no such leave existed under the prevailing policy of SBP. The Complainant asserts that he pursued all available internal remedies, including an email to Accused No. 3 dated 18-04-2025, a complaint before the Grievance Committee of SBP dated 13-05-2025, and a Representation to the Governor SBP/Accused No.1 dated 22-09-2025; however, no relief was afforded to him.</p>		

2. The Complainant contends that while maternity leave is being granted to female employees under the Act of 2023, denial of paternity leave to male employees under the same statute constitutes gender-based discrimination within the meaning of Section 2(h)(ii) of the Act of 2010. He maintains that SBP is a statutory body established under the State Bank of Pakistan Act, 1956 and BSC is its wholly owned subsidiary. He further asserts that the Governor is appointed by the President of Pakistan on the advice of the Federal Government, the Secretary Finance Division sits on the Board, and the Directors are appointed by the Federal Government.
3. It is further averred that in **Writ Petition No. 1026/2018** titled **State Bank of Pakistan Vs Federation of Pakistan**, Lahore High Court, Rawalpindi Bench, the Counsel for SBP acknowledged that SBP falls under the Federal Government. The Ministry of Finance also stated that SBP BSC, being a wholly owned subsidiary of SBP, falls under the administrative control of the Federal Government. The Complainant further points out that SBP is reflected in the legislative framework and the Rules of Business, 1973 under the Finance Division. Office Memorandum No. F.1(1)R-4/2019, dated 26-08-2023 and 10-10-2024 issued by the Finance Division directed Federal institutions to implement the Act of 2023. On this basis, the Complainant asserts that the Act of 2023 applies to SBP BSC and that this Forum possesses jurisdiction to adjudicate the instant complaint.
4. The Complainant further submits that discriminatory implementation of a Federal statute by conferring benefits upon one gender and denying them to another amounts to gender-based discrimination prohibited under the Act of 2010 and Articles 25 and 27 of the Constitution of Islamic Republic of Pakistan, 1973. He argues that SBP and SBP BSC cannot selectively adopt provisions of the Act of 2023 and are estopped from denying paternity leave while granting maternity leave under the same statute.
5. The Complainant claims that the denial of paternity leave has created a hostile work environment, causing him mental anguish and distress, professional humiliation, domestic hardship, an unwelcoming feeling at workplace and interference

with work performance due to stress and anxiety.

6. In the end, the Complainant prays for the following reliefs:

- i. Declaration that denial of paternity leave to male employees while granting maternity leave to female employees under the Act of 2023 constitutes gender-based discrimination under Section 2(h)(ii) of the Act of 2010;
- ii. Direction to grant him thirty (30) days' retrospective paternity leave with full pay under Section 4 of the Act of 2023;
- iii. Direction to implement and uniformly apply all provisions of the Act of 2023 irrespective of gender and incorporate the same in leave policies;
- iv. Award of litigation costs; and
- v. Direction to formulate and publicize a clear and gender-neutral paternity leave policy

7. In reply, the Accused contend that SBP-BSC is established under the SBP Banking Services Corporation Ordinance, 2001 and functions as an autonomous statutory body whereas service conditions and leave entitlement of its employees are regulated strictly according to the Ordinance and the regulations framed thereunder. Substantiating the stance further, it is maintained that the SBP BSC does not fall under administrative control of the Federal Government in terms of Section 7 of the Ordinance of 2001, as the general superintendence, direction and management of its affairs including policy decisions relating to service matters, vest in its Board of Directors. Furthermore, the Act of 2023 applies to public and private establishments under the administrative control of Federal Government whereas the SBP-BSC is an autonomous statutory corporation, governed under its own Ordinance and does not fall in the said category unless the Act is specifically adopted within its governing framework.

8. Additionally, the leave entitlement of employees of SBP-BSC, including the Complainant, continues to be governed by the existing service rules which do not provide for paternity leave to male employees. With respect to memorandums issued by the

Finance Division¹, it is asserted that such instructions are applicable to Federal Government and semi government entities and not to SBP BSC as it is not regulated through executive instructions issued by the Finance Division. Facts asserted by the Complainant with regard to leave request have not been denied, however, it is maintained that the request was processed and responded to in accordance with the prevailing service framework applicable to SBP-BSC.

9. The learned Counsel for the Complainant, while placing reliance upon the judgment reported as **PLD 2023 SC 588** titled **Nadia Naz Vs. President of Islamic Republic of Pakistan**, contended that the law is designed to ensure equal opportunity and equal treatment for men and women in employment and to effectively address gender-based discrimination at the workplace. He maintained that the State Bank of Pakistan (SBP) functions under the administrative control of the Federal Government and that SBP Banking Services Corporation (SBP BSC), being its subsidiary, implements and adheres to the policy decisions of SBP. In support of this contention, he referred to various job advertisements and bidding documents issued by SBP BSC to demonstrate that, notwithstanding its status as an autonomous statutory body, it follows the rules and regulations of the Federal Government.

10. The learned Counsel for the Complainant further submitted that SBP BSC has previously derived benefit by asserting in the aforementioned Writ Petition that it operates under the administrative control of the Federal Government; therefore, it cannot now resile from that position, as such reversion is barred by law. In this regard, reliance was placed upon **PLD 2025 SC 478** titled **Altaf Hussain Vs. The State**. It was additionally argued that since the Accused have admitted the material facts of the complaint in their written defense, the same did not require further proof, and they cannot be permitted to travel beyond the scope of their pleadings. Reliance in this respect was placed upon **2015 SCMR 21** titled **Muhammad Iqbal Vs. Mehboob Alam**.

11. Conversely, the learned Counsel of Accused asserts that the

¹ Finance Division Office memorandums No. F.1(1)R-4/2019 dated 26.08.2023 and 10.10.2024

Act of 2023 is not applicable to the SBP and SBP BSC as they are not under administrative control of the Federal Government, being autonomous statutory bodies and for this reason, the paternity leave as allowed under the said Act has not been incorporated in the leave policy as prescribed by the SBP, which the SBP BSC is bound to follow being its subsidiary company. However, no rebuttal was furnished regarding the Finance Division memorandums, Rules of Business, 1973, or the pleadings in Writ Petition No. 1026/2018.

12. I have heard the learned Counsels for both parties at length and have given due consideration to their respective arguments. I have also thoroughly perused the entire record.

13. Since the refusal of paternity leave is admitted, no factual controversy survives. In light of the principle that admitted facts need not be proved, the complaint is ripe for final decision. The following issues arise:

- I. Whether the Federal Act of 2023 is applicable to SBP BSC, rendering the complaint maintainable?
- II. Whether the Accused caused harassment in terms of gender-based discrimination to the Complainant U/S 2(h)(ii)?

14. As regards the first formulation, we have to determine if SBP BSC falls within the definition of an "Organization." According to Section 2(l) of the Act of 2010:

"organization" means a Federal or Provincial Government Ministry, Division or department, a corporation or any autonomous or semi-autonomous body, Educational Institutes, Medical facilities established or controlled by the Federal or Provincial Government or District Government or registered civil society associations or privately managed a commercial or an industrial establishment or institution, a company as defined in the 1 [Companies Act, 2017 (Act No. XIX of 2017)] and includes any other registered private sector organization or institution 1 [or online business];

15. Section 2(l) of the Act defines "organization" expansively. The

intention of the legislature is clear: The Act is meant to apply broadly to all workplaces, public or private, where individuals are employed and may be vulnerable to harassment. The definition includes, inter alia:

- Federal or Provincial Government Ministries, Divisions, or Departments;
- Corporations, autonomous or semi-autonomous bodies established or controlled by the Federal or Provincial Government;
- Educational institutions and medical facilities;
- Registered civil society associations;
- Privately managed commercial or industrial establishments;
- Companies incorporated under the Companies Act, 2017; and
- Any other registered private sector organization or online business.

16. The language employed in the statute is inclusive rather than restrictive. Indeed, the Act expressly brings autonomous bodies within the ambit of the term “organization” as defined under Section 2(h)(i). The statute does not carve out any exemption in favour of affiliated bodies or entities established under special enactments in any of its other provisions. It is a settled principle of statutory interpretation that where the legislature intends to exclude a particular institution—especially one operating under a special statutory regime—it does so in clear and express terms. The absence of any such exemption in the Act of 2010 manifests a conscious legislative intent to ensure comprehensive and universal protection against workplace harassment. Consequently, the stance taken by the Accused that the Act of 2023 is inapplicable to SBP-BSC on the ground that it is an autonomous body governed by its own Ordinance is misconceived and contrary to the plain language of the law.

17. The Act of 2023 is applicable to all public and private establishments functioning under the administrative control of the Federal Government and, in unequivocal terms, extends its coverage to autonomous and semi-autonomous bodies. The legislature, by employing explicit and unambiguous language,

has dispelled any doubt as to the scope and applicability of the Act, particularly in its definition of the term "establishment" as set out in Section 2(c) of the Act of 2023, which is reproduced hereunder:

"establishment" means any ministry, division, attached department, subordinate office, executive department, public or private organization, firm, corporation, autonomous or semi-autonomous body, body corporate, enterprise, company, industry, factory or such other office or institution, by whatever name called for, and under administrative control of the Federal Government;"

18. To strengthen applicability of the Act, Section 6 of the 2010 Act gives an overriding effect to the existing laws. This legal provision is reproduced below for reference:

"Act to override other laws.- The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force."

19. The afore-referred statutory provisions unequivocally demonstrate that the Act of 2023 extends to all establishments operating under the administrative control of the Federal Government and is endowed with overriding effect over other laws. In order to determine the legal status of the State Bank of Pakistan (SBP) and SBP Banking Services Corporation (SBP BSC), it becomes necessary to advert to the relevant governing instruments, namely the State Bank of Pakistan Act, 1956 and the SBP Banking Services Corporation Ordinance, 2001. The pertinent provisions of the Act of 1956, having direct bearing on the controversy in issue, are reproduced hereunder:

" 4. Share capital.-.....

(3) The capital shall be fully paid-up and held exclusively by the Federal Government and shall not be transferrable to any other person or entity."

"8A. Establishment and maintenance of subsidiary or trust.

Notwithstanding anything to this Act or in any other law for the time being in force, the Bank may establish and maintain a subsidiary or a trust....."

"9. Board of Directors.-

(2) The Board of Directors shall consist of-

(a) the Governor;

(b) Secretary, Finance Division, Government of Pakistan without the right to vote;"

"11 A. Appointments. (1) The Governor and the non-executive Directors shall be appointed by the President, upon the recommendation of the Federal Government.....

(2) The Deputy Governors shall be appointed by the Federal Government after consultation between the Minister of Finance and the Governor.....

(3) External members of the Monetary Policy Committee shall be appointed by the Federal Government, upon the recommendation of the Board.....".

"15. Dismissal of the Governor and the Deputy Governor.-(1) The appointing authority may remove the Governor, or a Deputy Governor.....

(2) The appointing authority shall remove any non executive Director or external member of the Monetary Policy Committee"

20. The Ordinance of 2001 mandates that SBP BSC is a subsidiary of the SBP and encompasses the powers and functions to be performed by the Board of Directors. The relevant provisions are reproduced below:

"4. Bank to be a subsidiary of the State

Bank.- *The Bank shall be a subsidiary of the State Bank, and the State Bank shall exercise control over the Bank in accordance with the provisions of this Ordinance."*

"5. Business and functions of the Bank.-(1) *Subject to sub-section (2), the Bank, under the overall supervision and control of the State Bank, may transact and carry on all or any of the following functions..."*

"7. Board of Directors.-(1) *The general superintendence, direction and management of the affairs and business of the Bank and overall policy making in respect of its operations shall vest in the Board of Directors which may exercise all such powers and do all such acts, deeds and things that may be exercised or done by the Bank.*

(2) *In discharging its functions, the Board shall ensure compliance with the orders and directions that may be issued by the State Bank from time to time.*

(3) *The Board shall consist of-*

(a) *members of the Central Board of the State Bank; and*

(b) *the Managing Director."*

21. The aforementioned provisions reveal that the SBP is owned by the Federal Government, Secretary Finance Division, Government of Pakistan is a member of its Board of Directors and appointments and removals of the Governor State Bank and non-executive Directors of SBP are made by the President on the recommendation of the Federal Government whereas, Deputy Governor and External members of the Monetary Policy Committee SBP are appointed by the Federal Government. Further, the SBP BSC is a subsidiary company under the administrative control of SBP and in such capacity is bound to abide by the rules, regulations or policies set forth by the SBP.

22. Now, moving on to the departments which are in the administrative control of the Federal Government and how business is allocated and distributed by them; the Rules of Business, 1973 issued by the Cabinet Secretariat, Islamabad have to be looked into. Rule 3 provides for the allocation of business. Relevant provisions are reproduced hereunder:

"(1) The Federal Secretariat shall comprise the Ministries and Divisions shown in Schedule I,...

(3) The business of government shall be distributed among the Division in the manner indicated in Schedule II."

In Schedule I, the Ministry of Finance, Revenue and Economic Affairs is mentioned at Serial No.9 and it includes the Finance Division.

In Schedule II, the Finance Division is mentioned at Serial No. 12. The following sub serials relate inter alia to the banking and framing of rules:

" 11. Banking, investment, financial and other corporations, that is to say:

(i) Central Banking, State Bank of Pakistan;...

16. Framing of rules on pay and allowances, retirement benefits, leave benefits and other financial terms and conditions of service."

23. To further ascertain administrative control of the Federal Government on the SCB, the afore-mentioned Writ Petition i.e., **W.P No. 1026/2018** titled **State Bank of Pakistan Vs Federation of Pakistan** reveals that the SBP claimed exemption from property tax imposed on it by the Cantonment Board. Relevant extract of arguments of the Director Legal SBP to prove that it is exempted from such levy, is reproduced hereunder:

".....neither the SBP nor the SBP Banking Services Corporation is carrying out any commercial

business....kind of services provided by them are exclusive functions of the Federal Governmentand for the reasons/grounds stated above, this Court has to lift the veil of incorporation in order to determine the exact nature of control and management of the Petitioner Organization and its functions in respect thereto."

24. Thus, after piercing the corporate veil and examining the relevant facts, it is evident that the State Bank of Pakistan (SBP) operates under the administrative control of the Federal Government. Consequently, the Act of 2023 is applicable to its employees. Besides, the Act of 2010 has been conferred with overriding effect over any other existing laws, rules, or regulations; therefore, any reliance by the Accused on their internal governing framework to deny statutory rights under the Act of 2023 is both unlawful and void to the extent of such inconsistency.
25. In light of the foregoing, the complaint is **maintainable**, as the Act of 2023 applies to the employees of SBP Banking Services Corporation (SBP BSC), a subsidiary of SBP, which is under administrative control of the Federal Government. Accordingly, the contention of the Accused that the Act is inapplicable due to the statutory autonomous status of the Organization is misconceived, unfounded, and contrary to law.
26. While advertng to the **second formulation**, we first need to examine the term "*gender-based discrimination*" so as to determine whether refusal to grant paternity leave by SBP to the Complainant falls within the purview of the Act of 2010. Section 2(h)(ii) of the Act of 2010 defines the word "*harassment*," which includes gender-based discrimination and is reproduced hereunder for reference:

" discrimination on basis of gender, which may or may not be sexual in nature, but which may embody a discriminatory and prejudicial mind-set or notion, resulting in discriminatory behavior on basis of gender against the complainant;"

27. In common parlance, paternity leave is associated with

improved child development and reduced maternal postpartum depression. Leave after childbirth is not merely a discretionary employment benefit, but a fundamental right essential to human dignity and the promotion of gender equality. It enables both men and women to participate in the care of their newborns and to safeguard maternal and infant health.

28. Denying or curtailing such leave constitutes gender-based discrimination and violates constitutional guarantees. Specifically, it contravenes **Article 25** of the Constitution of Pakistan, which ensures equality before the law and prohibits discrimination on the basis of sex, and **Article 37(b)**, which obligates the State to ensure that women have full participation in all spheres of national life and are not deprived of rights due to gender. Furthermore, restriction of paternity leave undermines the State's obligations under international conventions ratified by Pakistan, including the **Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)**.

29. Comparative constitutional jurisprudence increasingly recognizes parental leave as an equality issue rather than a gendered privilege. In *Van Wyk and Others v Minister of Employment and Labour (2025)*, the Constitutional Court of South Africa held that statutory schemes drawing rigid distinctions between maternity and paternity leave are unconstitutional and discriminatory. The Court held that;

"...Leave should not be restricted to mothers but should extend to fathers as well. Where only one of the parents is employed, such parent should be entitled to the full parental leave. In the case of a biological birth, the mother must have preference in respect of the time currently allocated as preparation for and recovery from birth. Subject to this qualification, the parents should be entitled to share the available days as they choose. In the event of disagreement, the leave contemplated in the relevant section shall be apportioned between the parents in such a way that each parent's total parental leave is as

close as possible to half of four months and 10 days. There should be a requirement that a father who wishes to avail himself for paternity leave qualifies as one who has assumed parental rights and responsibilities over the child as contemplated in the Children's Act..."

30. In the afore-stated judgement, the Court emphasized that parental leave is not contingent upon gender, law must move away from biologically deterministic stereotypes; and equality between parents and the best interests of the child must guide leave entitlements. While not binding, such reasoning is highly persuasive and aligns with Pakistan's own constitutional guarantees of dignity, protection of family and equality as contained in Articles 14, 37 and 25 of the Constitution.
31. In another case titled *Moritz v. Commissioner of Internal Revenue*, 469 F.2d 466 (10th Cir. 1972), the United States Court of Appeals for the Tenth Circuit **invalidated** a Federal tax provision that allowed caregiving deductions to women, widowers, and divorced men but denied the same benefit to a never-married man caring for his dependent parent. The judgment is particularly significant as it recognized **that men may equally occupy caregiving roles, and that statutory schemes which deny men benefits solely on the basis of gender offend constitutional guarantees of equality.**
32. Similarly, United States Supreme Court further crystallized this principle in *Weinberger v. Wiesenfeld*, 420 U.S. 636 (1975), where it unanimously struck down a provision of the Social Security Act that granted survivor benefits to widows but denied the same to widowers. The Court held that the classification violated the Fifth Amendment's Due Process Clause, observing that the statutory objective, enabling a surviving parent to care for a child, was not gender dependent. The law was found to rest upon archaic and overbroad generalizations that men are breadwinners and women caregivers.
33. Gender inequality has been well articulated in the landmark judgment of *Nadia Naz Vs President of Islamic Republic of Pakistan and others*. Relevant extracts are reproduced hereunder:

"4.....the Act recognizes that harassment is gender-based and that the victim can be a man or a woman. The impugned judgment overlooked the inclusion of men in the definition of complainant which is relevant when seen in the context of the protection given to employees under the Act."

"12....the purpose of harassment laws is to address gender-based discrimination at the workplace and not to limit it to sexual forms of harassment. It includes a broad range of conduct and behavior which results in workplace problems with serious consequences, one of the main being gender inequality."

- 34.** The aforementioned case underscores that the rights of men are co-equal with those of women. In the present matter, the Complainant, being a male employee, is entitled to the same protection, dignity, and legal safeguards in relation to family responsibilities as any other employee, regardless of gender. Equality before the law is a fundamental principle enshrined in the Constitution, and no individual may be subjected to discrimination, prejudice, or differential treatment on the basis of sex. The Act of 2010 is unequivocally applicable to men, women, transgenders, and even minors, and aims to safeguard employees from harassment or disadvantage in the workplace. Denial of paternity leave reinforces gender-based discrimination by perpetuating stereotypical caregiving roles and undermining substantive equality. In this case, withholding paternity leave from the Complainant reflects a prejudicial mindset that regards childbirth leave or parenting as exclusively the mother's responsibility. Parental leave is essential for both parents, as it allows them to fulfil family responsibilities while balancing professional obligations. Paternity leave, in particular, enables fathers to actively participate in early childcare, promotes shared parental responsibilities, and provides critical support to mothers during the post-partum period.
- 35.** The Complainant contends that he has been discriminated against on the basis of gender, as his legal entitlement to thirty

(30) days of paternity leave has been denied, whereas maternity leave continues to be granted to all female employees. The Accused have not refuted this contention. **Accordingly, the denial of paternity leave to the Complainant, to which he is legally entitled as a father, while allowing maternity leave to female employees, constitutes clear gender-based discrimination.**

36. In view of the foregoing, I am of the considered opinion that the Accused have subjected the Complainant to harassment in the form of gender-based discrimination by denying him paternity leave. However, as Accused Nos. 2 and 4 are employees of SBP BSC, and Accused No. 3 is an employee of SBP, and all are bound to adhere to the policies formulated by SBP as the parent company, the responsibility for the discriminatory act rests solely with the State Bank of Pakistan (Accused No. 1). **In exercise of powers under Section 4(4) of the Act of 2010, Accused No. 1/SBP is accordingly held liable and is penalized. A major penalty in the form of a fine of Rs. 500,000 is imposed on Accused No. 1/SBP, of which Rs. 400,000 shall be paid to the Complainant and the remaining Rs. 100,000 shall be deposited into the government exchequer within thirty (30) days. The Organization is further directed to process the Complainant's application and grant him paternity leave of thirty (30) days on full pay.**
37. Before concluding, it is directed that SBP BSC shall amend its Leave Policy No. LP/HRMD/2016 with regard to maternity and paternity leave to bring it into full conformity with the provisions of the Maternity and Paternity Leave Act, 2023.

FEDERAL OMBUDSPERSON