

ORDER SHEET

THE HIGH COURT OF SINDH AT KARACHI

Suit No.Nil of 2023

M/s. Saif Trade Service v. Federation of Pakistan & others

DATE

ORDER WITH SIGNATURE OF JUDGE

1. For orders on CMA No.8744/2023
2. For orders on office objection at flag 'A'
3. For orders on CMA No.8745/2023
4. For orders on CMA No.8746/2023

02.06.2023

Dr. Shahab Imam, Advocate for the Plaintiff.  
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1. Urgent application is granted.
2. To be complied within a week.
3. Exemption application is granted subject to all just exceptions.
4. It is *inter alia* contended by the learned counsel for the plaintiff that the plaintiff is engaged in the business of manufacturing and export of Textile made ups, leather articles and general items for earning sizable foreign exchange for the Country since 2002, and exported various consignments to UAE and Colombo, till 2011, that the payment/remittance for exported consignments is outstanding and the plaintiff has been running from pillar to post in order to bring the foreign exchange inside the Country. However, the importer due to business problem has shown reluctance to make payment of exported consignments worth USD 2,875,838/-, that the plaintiff being aggrieved by the impugned judgment dated 1<sup>st</sup> February, 2023, whereby the adjudicating authority directed the plaintiff to pay the penalty amounting to Rs.17,500,000/- in the Government account preferred an appeal along with stay application which has not been admitted and the plaintiff was asked to deposit the amount of penalty in compliance of Section 23C[4] of the Foreign Exchange Regulation Act, 1947 ["the Act, 1947"]; per learned counsel for the plaintiff such demand is unlawful in view of unreported order dated 01.02.2023 passed by Lahore High Court in Writ Petition No.36748 of 2022, re: Jan Muhammad Tayab versus Federation of Pakistan and others



[page-139], whereby sub-section [4] of Section 23C of the Act, 1947 was held to be un-constitutional and violative of the fundamental rights of the petitioner and was struck down, that the defendant No.2 – State Bank of Pakistan [SBP] in compliance of impugned judgment dated 1<sup>st</sup> February 2023 attached all accounts of the plaintiff [detail whereof is available at page-67 as Annexure-D]; and that due to such illegal action of defendant No.2- State Bank of Pakistan, the plaintiff is unable to operate its bank accounts and facing serious losses and the business of the plaintiff standstill.

Issue summons and notice to the defendants as well as learned Additional Attorney General, Pakistan by all modes except publication for **a date to be fixed by the office after summer vacations**. Till then, the operation of the impugned judgment dated 1<sup>st</sup> February 2023 shall remain suspended, the bank accounts of the plaintiff attached by defendant No.2 – State Bank of Pakistan should be de-attached forthwith and no coercive action shall be taken against the plaintiff.



JUDGE

*Faizan/P.A.*