

ORDER SHEET
IN THE HIGH COURT OF SINDH KARACHI
C.P. No. D-6202 of 2016

DATE	ORDER WITH SIGNATURE OF JUDGES
------	--------------------------------

Present

Mr. Justice Muhammad Ali Mazhar.

Mr. Adnan Iqbal Chaudhry.

1. For orders as to non-prosecution of Misc. No. 2252/2017 and 1941/2017
2. For hearing on Misc. No. 30048/2016
3. For hearing of main case.

11.09.2018

Mr. Salman Hamid, advocate for the Petitioners

Mr. Mehmood Mandiwala alongwith Raja Adnan, advocate for State Bank of Pakistan

Mr. Zahid Khan, DAG

Muhammad Ali Mazhar, J: The brief facts of the case are that the petitioner No.1 (Pakistan Hosiery Manufacturers' and Exporters Association) representing various businessmen, traders, mill owners and industrialists, who are engaged in the manufacturing of hosiery and knitted products. The petitioners have approached this court for restraining the Respondent No. 3 from implementing the illegal decision of transferring the departments of Respondent No. 3 to any city of Pakistan including Lahore from Karachi. The petitioners have further sought a declaration that actions of Respondents No. 2 & 3 to transfer departments of Respondent No. 3 out of Karachi is unlawful.

2. Learned Counsel for the Petitioners referred to page-87, which is copy of an email, generated By Qasim Nawaz, Managing Director, SBP, established under State Bank of Pakistan Banking Services Corporation Ordinance, 2001. In Section 3 of this ordinance, it is provided that the head office of the Bank shall be situated in Karachi and it may establish branches, offices and agencies in Pakistan and any where outside Pakistan with the prior approval, in writing, of the State Bank. The petitioners have some apprehension due to above email in which it is

stated that the accounts, currency management, foreign exchange operations and development finance support functions shall gradually be carried out from Lahore in a phased manner. It is further stated that the development of more resources at Lahore is expected to enhance the capacity to meet the dynamic demand for movement of currency and Prize Bonds, development finance and foreign exchange operations. However, the same email of MD further communicated that the operation support in these respective areas for Karachi and South Region will continue to be provided through a larger set-up at Karachi Office. Learned Counsel for the Petitioners further pointed out a circular at page-81, which was issued by Director, HRMD of State Bank of Pakistan Banking Services Corporation to all Directors/Chief Managers for conveying a restructuring plan for SBP BSC-Revised Organization Structure whereby the Head Office Departments were clustered into three Groups. Learned Counsel concluded that in terms of Section 3, the office cannot be shifted from Karachi to Lahore.

3. Learned Counsel for the Respondents, at the very outset, pointed out Circular No. ERD/M&PRD/PR/01/2016-103 dated October 14, 2016, issued by the External Relations Department of State Bank of Pakistan for relocation of a few SBP BSC departments aimed at procedural and functional efficiency. Learned counsel pointed out some portions of this circular, which are reproduced as under:-

“The sizeable work force with necessary supervisory powers shall be retained at Karachi Head Office to meet the needs of South Region. The current decision only aims to improve organizational performance, enhance effectiveness of internal controls, ensure consistency in decisions and bring about efficiency in operations of SBP BSC. It may be added that as far as staffing is concerned, this relocation exercise is being managed purely on an option basis. So far, employees have overwhelmingly responded to the decision of the management and option from good number of employees has

been received for relocation to Lahore. The last date for submission of options is October 14, 2016.

“ It may be reiterated again that this move neither involves any shifting in the Office or functions of SBP nor the Head Office of SBP BSC. The Head Office of SBP BSC, its six departments including the Strategic and Corporate Affairs Department will continue to be based in Karachi. The MD office will also continue be housed at Karachi. As already stated this decision was made by the management with the prior knowledge of the Board of Directors of SBP BSC”.

The portions of circular reproduced above unequivocally show that sizeable work force with necessary supervisory powers shall be retained at Karachi Head Office to meet the needs of the South Region. The move neither involves any shifting in the Office or functions of SBP nor the Head Office of SBP SBC. The Head Office of SBP SBC, its six departments including Strategic and Corporate Affairs Department will continue to be based in Karachi. The MD office will also continue to be housed at Karachi and this decision was made by the management with the prior knowledge of the Board of Directors of SBP BSC. Mr. Mehmood Mandiwala, advocate for SBP, categorically stated that the Respondents will strictly follow the External Relations Department letter/circular dated 14th October, 2016 in its letter and spirit. On this statement, the learned counsel for the petitioner is satisfied. In view of the above, the petition is disposed of accordingly.

JUDGE

Faisal Mumtaz/PS

JUDGE

