

IN THE HIGH COURT OF SINDH, KARACHI

Present

Mr. Justice Irfan Saadat Khan
Mr. Justice Zulfiqar Ahmad Khan

C.P No. D-885 of 2022

Pakistan Steel Imports Company	Petitioner
<i>Versus</i>		
Federation of Pakistan through Secretary Ministry of Finance & others	Respondents

C.P No. D-5406 of 2022

M/s. Gogan Steel Traders and others	Petitioners
<i>Versus</i>		
Federation of Pakistan through Secretary Ministry of Finance & others	Respondents

Petitioner in C.P No.D-885/2022	:	Through Mr. Zain A. Jatoi, Advocate a/w Mr. Muhammad Mustafa, Advocate
Petitioners in C.P No.D-5406/2022	:	Through Rana Sakhawat Ali, Advocate a/w Mr. Kashif Ali Raza, Advocate
Respondent No.1	:	Through Mr. G.M Bhutto, AAG
Respondent Nos.2 & 3 in C.P No.D-885/2022	:	Through Mr. Khalid Rajpar, Advocate
Respondent Nos.2 & 3 in C.P No.D-5406/2022	:	Through Mr. Kafeel Ahmed Abbasi, Advocate
Date of hearing	:	12.10.2022
Date of judgment	:	12.10.2022

JUDGMENT

Zulfiqar Ahmad Khan, J:- Petitioners through these petitions have impugned the demand notices seeking revalidation of the expired securities/bank guarantees furnished by them earlier.

2. Background of these cases (taken from C.P No.D-885 of 2022) is that the petitioners are importers of second quality iron steel products in respect of which Valuation Ruling No.1213/2017 dated 27.09.2019 and Order-in-Revision No.10/2018 dated 27.04.2015 were challenged by the petitioners amongst other traders, which valuation ruling and orders

upon motion of the petitioners were *set aside* by the Appellate Tribunal through its judgment dated 18.07.2018 with directions to release the petitioners' consignments at declared transitional values whilst releasing earlier furnished securities/bank guarantees by the importers, whereafter, per learned counsel, the said judgment of the Appellate Tribunal was challenged through a number of SCRA's, including SCRA No.340 of 2018, which SCRA was decided by this Court's short order dated 02.11.2020 and by detailed reasoning, wherein respondents *inter alia* were also directed to release the sureties furnished by the petitioners. Per learned counsel, instead of complying with these orders, the respondents have chosen to issue the impugned notices calling upon the petitioners to revalidate the securities/bank guarantees furnished by them for release of their goods. Per learned counsel, these acts of the customs authorities are in utter violation of the judgment of this Court and gross illegality has been committed by the respondents, a request is made to *set aside* the said demand notices as well as counsel have prayed that the respondents be directed to release the securities/bank guarantees being held by them as mandated by judgment in SCRA No.340 of 2018 and CP No.D-5065 of 2021.

3. Learned counsel appearing for the respondents in both the petitions, who have filed their comments on behalf of the customs authorities, stated that the respondents have preferred CPLA against the judgment of the learned Divisional Bench of this Court but admit that while CPLA has been filed, however no interim relief has been provided to the petitioners and they state that the impugned notices are issued keeping in mind that the securities/bank guarantees earlier provided by the petitioners have since lapsed. Learned AAG also supports these contentions.

4. Heard the counsel and perused the record. Before us are the petitioners who despite having favourable judgments from the Appellate

Tribunal as well as learned Divisional Bench of this Court are still struggling with the department. Admittedly, the judgment of the Appellate Tribunal and that of a learned Divisional Bench of this Court in clear terms directed the department to release the securities/bank guarantees furnished by the petitioners in relation to their consignments, however instead of complying with these orders respondents have chosen to issue impugned notices directing the petitioners to revalidate their securities/bank guarantees, we do not find any reason as to why the department has chosen to issue the impugned notices, where *in fact* they were directed to release those securities and bank guarantees and despite lapse of considerable time this Court's judgment seemingly has not been complied with.

5. In the circumstances at hand, while *setting aside* these demand notices we direct the respondents to release the petitioners securities and bank guarantees forthwith by sending compliance report to MIT-II of this Court in no later than 15 days.

Judge

Judge