

**IN THE HIGH COURT OF SINDH,
AT KARACHI**

C. P. No. D-8905 of 2018

Present:

Ahmed Ali M. Shaikh, CJ
and Yousuf Ali Sayeed, J

Petitioner : Imran Humayun through
Munir Ahmed Khan, Advocate.

Respondent No.1 : State Bank of Pakistan CIB
Division through Manzoorul
Haq, Advocate.

Respondent No.2 : Faysal Bank, through Ghulam
Ali Khan, Advocate.

Respondent No.3 : Standard Chartered Bank
through Muhammad Arshad,
Advocate.

Date of hearing : 22.02.2023.

ORDER

YOUSUF ALI SAYEED, J. - The Petitioner seeks that the Respondent No.1, being the State Bank of Pakistan, be directed to remove his name from the CIB.

2. The case, as advanced by learned counsel for the Petitioner, was that he had been a victim of fraud in the matter of his relationship and dealings with certain private scheduled banks – namely the Respondents Nos. 2 and 3, and that the amounts reflected in the CIB as being overdue on his part in relation to those banks had been incorrectly reported and ought to be expunged.

3. The para-wise comments of the Respondent No.1 *inter alia* reflect that:

1. ...Section 25-A of the Banking Companies Ordinance, 1962 places a mandate upon the Banking Companies to furnish to the State Bank of Pakistan credit information in such manner as the State Bank of Pakistan may specify. The State Bank of Pakistan, in compliance with the provisions of section 25-A of the Ordinance *ibid* has strictly acted under the law in establishing Electronic Credit Information Bureau (eCIB) and established a transparent procedure for supply of Credit Information to the SBP by all Banking companies in Pakistan.

2. The placement of name in eCIB does not blacklist anyone and does not prevent anyone from entering into lawful relationship with the banks. The eCIB report merely reports the outstanding and overdue position and repayment history of the borrower without declaring the borrower as a defaulter. Moreover, in terms of Regulation R-3 Clause 2 of the Prudential Regulations for Corporate/Commercial Banking; SBP has allowed banks to take credit exposure even on borrowers with overdues/write-offs in their accounts on the condition that while doing so they should strictly follow their risk management policies and credit approval criteria and properly record reasons and justifications in the approval form. The financial institutions make their own lending decisions on the basis of their credit policies, past track record of borrower and his repayment capacity.

3. That the petitioner has alleged grievances against Respondent No.2 and 3, which are unrelated to the answering Respondent as date entry in e-CIB is made by the member financial institutions directly without any intervention by the answering Respondent. The responsibility of any subsequent removal, addition, deletion or modification also lies with the reporting financial institutions.

4. While the comments of the Respondent No.3 reflect that there is no liability of the Petitioner in respect of a Credit Card that had been issued to him by said Respondent, which has since also been closed under acknowledgment of the Petitioner, it has been stated by the Respondent No.2 that the Petitioner had failed to repay certain financial facilities availed from the then ABN AMRO Bank through a credit card and as a personal loan, which were then written off and reported as such through the CIB.

5. Furthermore, as regards the plea of fraud, it is apparent from the Petition and comments of the Respondent No.2, that the Petitioner had approached the Banking Mohtasib on that score in the year 2008, with the final Order emanating from that forum on 19.3.2010 concluding on the following note:

“Having regard to circumstances of the case and after having heard both the parties at length as well as on thorough examination of the documents produced by both the parties, I find that the fraud was committed with the knowledge and connivance of the Complainant as he does not want to even lodge an FIR against the persons who have committed fraud in his name on more than one occasion. I, therefore, under the powers vested in me vide Section 82 D of the Banking Companies Ordinance, 1962 (BCO) reject the complaint and consign it to records.”

6. Apparently, the Petitioner did not file any review or representation against that Order of the Mohtasib, which thus attained finality. Nor has the Order even been assailed through the present Petition, filed after a lapse of over 8 years.

7. Under the circumstances, the Petition is found to be wholly misconceived and devoid of force, hence the same hereby stands dismissed accordingly along with the pending miscellaneous applications.

JUDGE

CHIEF JUSTICE

Karachi.
Dated: