# ORDER SHEET IN THE HIGH COURT OF SINDH, KARACHI C. P. NO. D-2816 / 2023

#### Order with signature of Judge

### PRIORITY.

Date

- 1) For orders on Misc. No. 15179/2023.
- 2) For hearing of Misc. No. 13568/2023.
- 3) For hearing of main case.

## 27.06.2023.

Mr. Sardar Muhammad Ishaque, Advocate for Petitioner. Mr. Qazi Ayazuddin Qureshi, Assistant Attorney General. Mr. Khalil Dogar, Advocate for Respondent No. 1 & 2.

1) Granted.

### 2 & 3) The Petitioner has sought the following prayers:-

- 1) Declared that the staff of the Respondent No.2, did not consider the request that detained imported goods immediately remove from the Port area to CPF Bonded warehouse as per under Section 169 of the Customs Act, 1969, it is illegal and against the law, therefore, may kindly direct the Respondent No.2 to remove the imported goods from Port are to CPF Bonded warehouse, and issue the delay and detention certificate, in the best interest of justice.
- 2) That the seized goods which is lying at the open sky at Port area, the Petitioner will be suffered the day-by-day losses of de-value of the seized in-question goods or facing heavy port charges and shipping charges, therefore may kindly release the illegally detained in-question goods after proper assessment, process the GD & leviable duty & taxes amounts, to the Petitioner to run the business without any further loss of time, in the best interest of justice.
- 3) Declared that the staff of the Respondent No.2 illegally detained the in-question goods, without any notices under Section 26, 171 & 168 of the Customs Act, 1969, which is a mandatory requirement, therefore, a seizure is illegal and against the law.
- 4) Grant any other, or better relief, which this Hon'ble Court may deem fit and proper under the circumstances of the case, and the cost of litigation may also be granted to the Petitioner. Furthermore, in the meanwhile, the Petitioner is ready to submit solvent surety/import documents of the detained vehicle, before the Nazir of this Honourable Court.
- 5) It is prayed that unless this petitioner is granted as prayed the petitioner shall be seriously prejudiced, in the best interest of justice.

Counsel for the Petitioner submits that the Petition is pressed only to the extent that the goods be allowed to be removed to Common Pool Fund (CPF) Bonded warehouse as they are incurring storage charges at the Port. On the other hand, Mr. Khalil Dogar has opposed this Petition as an Order in Original has been passed, whereby, the goods have been confiscated out rightly.

We have heard both the leaned Counsel and perused the record. It appears that Petitioner imported some petroleum product for which under the Import Policy, a Dangerous Petroleum License is required; however, admittedly, the Petitioner is not in possession of any such storage license. The Petitioner was issued a Show Cause Notice and an Order in Original has been passed on 30.05.2023 whereby, the goods have been confiscated out rightly under Clause 9 of Section 156(1) of the Customs Act, 1969. The operative part of the original in original reads as under:-

The representative of the importers during hearing and through written submission presented arguments that they have been importing this material since long without having Dangerous Petroleum License (DPL) as required under Rule 5 of Petroleum Rules, 1937 for import of this product. The arguments of the importer shows that he was very well familiar with the fact that the impugned item is a dangerous petroleum product and for import of which DPL is required. Despite knowing all these factors he opted for import the restricted item and tried to clear it with connivance of his clearing agent. Since the importer did not contest the sanctity of the product regarding its category of dangerous petroleum product and have not in a possession of valid DPL/Form-L for import of this item, therefore, they are not entitled either to import or clear the cargo. It has now been established that good are dangerous petroleum product, therefore, cannot be released without DPL. I therefore, in exercise of powers conferred under Section 179 of the Customs Act, 1969 read with Clause 9 of Section 156(1) ibid order for out-right confiscation of impugned item. A personal penalty of Rs. 100,000/- (Rupees one lac), is also imposed on each the importer (M/s Sagib Enterprises) and his clearing agent (M/s Unique Traders) for violation of above provisions of law.

Since the goods have been confiscated out rightly, the same now vest in the Federal Government under Section 182 of the Customs Act, 1969, whereas, even otherwise, for the storage of such product, Dangerous Petroleum License is required which the Petitioner is not in possession; hence, they can't even be shifted to CPF Bond for storage purpose as prayed. The Petition appears to be misconceived and is hereby dismissed with pending application(s).

JUDGE

JUDGE

<u>Arshad/</u>