

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

C. P. No. D-5516 of 2019

Present:

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

Petitioner : Zulfiqar Ahmed Abbasi through
Waqar Ahmed Abbasi,
Advocate.

Respondent No.1 : Federation of Pakistan through
Finance Secretary.

Respondent No.2. : Director General, Central
Directorate of National Saving,
Islamabad.

Respondent No.3. : Regional Director, Regional
Directorate of National Saving,
Karachi.

Respondent No.4. : Branch Manager, National
Savings Centre, Karachi.

All through Kazi Abdul Hameed
Siddiqui, DAG.

Date of hearing : 31.03.2023.

ORDER

YOUSUF ALI SAYEED, J. - The Petitioner apparently invested a sum of Rs.10,84,000/- in Defence Savings Certificates (“**DSCs**”) under Registration Nos. 49074 and 49076, and has invoked the jurisdiction of this Court under Article 199 of the Constitution, seeking that the Respondents be directed to encash the same on the basis of the terms and conditions printed thereon and accordingly pay over the cumulative amount to him.

2. The case of the Petitioner is that he purchased the DSCs from the National Saving Centre Branch, Defence, Phase-II, DHA, Karachi in the year 1997/98, with it being pleaded that “At the time of their maturity in 2007/08, the Petitioner received handsome amount against the said investment” and “Thereafter upon the advice of then Branch Manager, the Petitioner once again invested the amount of Rs.5,25,000/on 26.01.2009 for next 10 years under Registration No.49076 and Rs.5,59,000/- on 18.06.2008 for next 10 years under Registration No.49074”. The claim now advanced in relation to the encashment of those DSCs turns on the assertion that the Respondents are legally bound to pay the amount mentioned printed on the back/reverse thereof at the time of maturity, with it being alleged that a lesser amount has instead been offered on the basis that the rate of return has since been revised.
3. Learned counsel for the Petitioner submitted that the Respondents had never communicated any change in the rate of profit payable in respect of the DSCs to the Petitioner, and were bound to encash the same on the basis of the terms and conditions printed thereon.
4. In response, it was pointed out by the learned DAG with reference to the comments forthcoming in the matter that the DSC scheme is governed under the Defence Savings Certificates Rules, 1966, Rule 44 of which specifies that “*Amounts including profit shall be paid on each denomination of certificate on completion of specified period from the date of issue of the certificates as notified by the Federal Government, in official Gazette from time to time*”. He submitted that any DSCs as may have been purchased by the Petitioner thus attracted profit at the rate prevailing on the date of purchase, with the relevant

rates applicable to the case of the Petitioner having been notified on 23.06.2007 and 24.06.2008, remaining applicable until the next revision notified on 01.10.2020.

5. We have considered the arguments advanced in light of the pleading and material placed on record.

6. It merits consideration at the outset that copies of 11 DSCs have been annexed by the Petitioner along with his pleadings, of which four (04) DSCs having a cumulative face value Rs.525,000/- bear Registration No.49074, whereas the other seven (07) DSCs having a cumulative face value of Rs. 559,000/- bear Registration No.49076. Of those 11 DSCs, only 4 bear certain terms and conditions reflecting the rates of return applicable as of 13.11.1996, and indicating the amount payable on maturity from year to year up to a total period of 10 years. As such, if the argument of the Petitioner is accepted that the encashment value of the DSCs is to be as per the terms printed thereon, the question that arises is what yardstick would be applicable in respect of those DSCs that bear no such conditions and do not purport to specify any encashment value at all. Furthermore, it falls to be considered that the 10-year period envisaged in the terms set out in the 4 certificates in question is also with reference to the year 1996, which lapsed in 2006, hence those rates could not conceivably be applicable in respect of the reinvestments admittedly made by the Petitioner in the years 2008 and 2009. As for the earlier period, suffice it to say that the Petitioner's pleadings reflect his satisfaction as to the amount received on maturity.

7. Under the given circumstances, we see no force in the Petition and dismiss the same accordingly.

JUDGE

CHIEF JUSTICE

MUBASHIR