

# THE HIGH COURT OF SINDH KARACHI

## **Present:**

Mr. Justice Adnan Iqbal Chaudhry

Mr. Justice Muhammad Jaffer Raza

C.P. No. D - 4131 & 4132 of 2025

[M/s. Amal Steel versus Federation of Pakistan & others]

Petitioners : M/s. Amal Steel through M/s. Ghulam Hyder Shaikh and Manzar Hussain Memon, Advocates.

Respondent 1 : Nemo.

Respondents 2-3 : Collector of Customs (East) and another through Sardar Zafar Hussain, Advocate, alongwith M/s. Kainat Larik and Aamir Ali Shaikh, Advocates.

Date of hearing : 25-08-2025

Date of decision : 25-08-2025

## **ORDER**

**Adnan Iqbal Chaudhry J.** - The Petitioner entered G.D. No. KEWB-IB-13043-22-05-2025 (C.P. No. D-4131/2025) and G.D. No KEWB-IB-13044-22-05-2025 (C.P. No. D-4132/2025) under section 79 of the Customs Act, 1969 [Act] for warehousing imported goods declared as "*Prime Aluzinc Steel Coils, Grade*". Upon examination of the goods under section 80 of the Act, a contravention of the Act was detected by the Customs, leading to Order-in-Original in both cases, dated 01-08-2025, whereby the Petitioner was held liable for misdeclaration and the goods were ordered to be confiscated *albeit* the Petitioner was given the option under section 181 of the Act to pay fine in lieu of confiscation. Against those orders, the Petitioner has preferred Customs Appeal No. K-1166/2025 and Customs Appeal No. K-1167/2025 before the Customs Appellate Tribunal.

Before us, the grievance of the Petitioner is that while said appeals are pending before the Customs Appellate Tribunal, the Collector of Customs has withheld orders on the Petitioner's application under section 84 of the Act for moving the goods to a bonded warehouse, and as a result the Petitioner is incurring

demurrage charges day-to-day. On the other hand, counsel for the Customs submits that since orders for confiscating the goods have not been suspended by the Tribunal, the goods cannot be moved into bond until the Petitioner redeems the goods by paying duty, taxes, fine and penalty determined as per the Orders-in-Original.

Heard learned counsel. While the order of confiscation of subject goods is in appeal, counsel for the Customs has not cited any provision of the Act that requires the importer to pay the fine in lieu of confiscation of goods (under section 181 of the Act) before moving the goods to a bonded warehouse pursuant to section 84 of the Act. Rather, section 104 of the Act suggests that all charges payable in respect of goods can be paid within the time fixed for warehousing by section 98 of the Act. Needless to state that moving the goods to a bonded warehouse would not amount to delivery to the Petitioner, rather it is intended to mitigate demurrage charges being incurred by the Petitioner at the port.

In view of the foregoing, we dispose of these petitions by directing the Respondents 2 and 3 to process forthwith the Petitioner's application under section 84 of the Act for moving the subject goods (mentioned first above) into bond in line with section 86 of the Act.

Office shall place a copy of this order in the connected petition.

**JUDGE**

**JUDGE**

SHABAN\*