

THE HIGH COURT OF SINDH KARACHI

Before:

Mr. Justice Yousuf Ali Sayeed

Mr. Justice Adnan Iqbal Chaudhry

C.P. No. D – 5354 of 2026

[M/s. The National Energy & Transport Corporation (Pvt) Ltd. v. Federation of Pakistan & another]

Petitioner : M/s. The National Energy & Transport Corporation (Private) Limited through Mr. Shahab Imam Advocate.

Respondent No.1 : Federation of Pakistan through Ms. Mehreen Ibrahim, Deputy Attorney General for Pakistan.

Respondent No. 2 : The Collector of Customs (Appraisement (SAPT) through M/s. Sardar Zafar Hussain and Muhammad Siddique, Advocates.

Date of hearing : 03-09-2026

Date of decision : 03-09-2026

ORDER

Adnan Iqbal Chaudhry J.- Against Order-in-Original dated 09.07.2026 (**OnO**), passed under section 179 of the Customs Act, 1969 (**Act**), the Petitioner has filed an appeal under section 194A of the Act to the Customs Appellate Tribunal (**Tribunal**) along with an application to stay encashment of the security in deposit with the Customs for provisional release of goods under section 83B of the Act. Grievance of the Petitioner is that while the Tribunal has yet to fix a hearing for the stay application, the OnO requires the Collectorate to encash said security. Learned counsel for the Customs does not dispute these facts.

Under sub-section (5) of section 194A of the Act, the Tribunal is vested with discretionary powers to stay recovery for a certain period should it deem fit. Apparently, the Tribunal has yet to consider the stay application in the Petitioner's appeal. To the extent of Customs duty and taxes, the amount is already secured by the Petitioner. Therefore, we are inclined to allow this petition in the

following terms. Until the Tribunal passed order on the stay application or appeal of the Petitioner, whichever is earlier, officers of Customs are restrained from encashing the Petitioner's security pursuant to the aforesaid OnO provided that the Petitioner shall keep the security valid and subsisting. Petition disposed of.

JUDGE

JUDGE

**PS/SADAM*