ORDER SHEET IN THE HIGH COURT OF SINDH AT KARACHI

C.P. No.D-628 of 2024

Order with signature of Judge

FRESH CASE:

Date

- 1. For order on CMA No.3149/2024 (Urgent).
- 2. For order on CMA No.3150/2024 (Exemption).
- 3. For order on CMA No.3151/2024 (Stay).
- 4. For hearing of main case.
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Dated; 7th February 2024

Mr. Muhammad Haseeb Jamali alongwith M/s. S.M. Mansoor Akhtar and Muhammad Najeeb Jamali, Advocate for Petitioner.

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1. Urgency granted.

2. Exemption granted subject to all just exceptions.

3&4. Through instant Constitutional Petition, the petitioner i.e. M/s. Cnergyico Pk Limited formerly known as Byco Petroleum Pakistan, an Oil Refinery Company, engaged in the business of import, producing and supplying petroleum products in Pakistan, has expressed its grievance to the effect that Hi-Speed Diesel (HSD), being produced and sold in the market on non-euro standard, however, after complying with all requisite laws, has been subjected to imposition of double penalty without any lawful authority. According to learned counsel for the petitioner, respondents No.1&2 through Policy Guidelines dated 17.11.2020 have imposed double penalty in respect of HSD through its clause ii(d), according to which, the premium below than the Euro-II compliant having sulfur contents more than 0.5% or above, to be derived by scaling down from Euro-II premium (published by Platts) through existing practice (58.73% & 36.40%), which according to learned counsel, besides having no legal sanction, is in addition to and also over and above to the amount of penalty being

charged in clause ii(c) of the aforesaid Guidelines. According to learned counsel for the petitioner, under Oil and Gas Regulatory Authority Ordinance, 2002 and Petroleum Products (Petroleum Levy) Ordinance, 1961, there is no provision, whereby, such amount of penalty can be imposed in respect of HSD being produced and sold by the petitioner, which is non-euro standard, however, through purported Guidelines petitioner is being penalized. Per learned counsel, petitioner is the only private oil refinery company in Pakistan, which is importing crude oil and producing and supplying gasoline products, and has given employments to large number of people in Pakistan, however, on account of impugned penalty is hardly managing to compete with the remaining Government owned refineries, therefore, the amount of double penalty in the case of petitioner through aforesaid Guidelines may be declared as discriminatory, illegal and without lawful authority.

Let pre-admission notice be issued to the respondents as well as to the Deputy Attorney General, to be served through first three modes, for <u>20.02.2024</u>, when comments/reply, if any, shall be filed with advance copy to the learned counsel for petitioner. In the meanwhile, respondents may not take any adverse action while invoking the provision of Clause ii(d) of the Policy Guideline dated 17.11.2020 in respect of the petitioner's company till next date of hearing.

CHIEF JUSTICE

JUDGE

Farhan/PS