

# Sindh High Court grants injunction in shipping shortage claim case

The Sindh High Court's interim injunction restraining civil courts from adjudicating shipping shortage claims could reshape Pakistan's shipping litigation landscape, addressing the proliferation of such claims.

The Sindh High Court recently granted an interim injunction restraining the civil court from passing judgment in suits alleging short landing of imported edible oil cargoes. The injunction, secured by RIAA Barker Gillette on behalf of a leading shipping agent, marks a potential turning point in addressing the proliferation of shortage claims that have long plagued carriers operating in Pakistani ports.

## Navigating Pakistan's Complex Maritime Legal Landscape

Pakistan, one of the world's largest importers of edible oils, has seen a surge in shortage claims filed by importers in civil courts, alleging discrepancies between bill of lading quantities and shore tank measurements. The high volume of shipments and multiple receivers of cargoes aboard a single vessel have led to substantial potential liabilities for carriers and their insurers.

The [Carriage of Goods by Sea Act 1925](#) incorporates the Hague Rules, which embody the internationally accepted "tackle to tackle" principle under which the carrier's responsibility ends when the cargo leaves the ship's manifold. However, the lack of application of a clear and consistent test for cargo delivery of edible oil cargoes has resulted in inconsistent rulings, with lower courts often favouring importers in shortage claims despite a Sindh High Court judgment upholding the "tackle to tackle" principle.

## Mitigating Operational Risks for Carriers and Industry Initiatives

The current environment has created significant operational risks for carriers, with the threat of vessel attachment forcing many to settle shortage claims to avoid financial and operational disruptions. Vessels worth tens of millions of dollars, with substantial daily charter hires, can be detained to satisfy claims of just a few thousand dollars, affecting not only carriers but also charterers and sub-charterers.

In response to the proliferation of shortage claims, organizations like the [Global Compact Network Pakistan](#), in collaboration with the [Maritime Anti-Corruption Network \(MACN\)](#) of Denmark, launched "Collective Action against Corruption Practices in Maritime Industry of Pakistan." This project, initiated in September 2021, aims to combat corrupt practices and enhance the integrity of maritime operations in Pakistan.

## Challenging Civil Court Jurisdiction in a Test Case

The present dispute arose when an importer filed suits in the Civil Court against the carrier and others, claiming damages for alleged short delivery of imported soybean oil. RIAA Barker Gillette filed an application challenging the Civil Court's jurisdiction, arguing that the claim was an admiralty matter over which the High Court had exclusive jurisdiction under the [Admiralty Jurisdiction of the High Courts Ordinance, 1980](#). The petition before the High Court raises a test case that seeks to leverage recent jurisprudential developments, particularly the Supreme Court's decision in *General Manager, SNGPL v. Qamar Zaman (2021 SCMR 2094)*, holding that special laws designating specific forums for dispute resolution impliedly bar civil courts' jurisdiction in such matters.

[Mayhar Kazi](#), Partner at RIAA Barker Gillette, leading the team on this case, commented:

*"The Sindh High Court's interim injunction is a crucial step towards addressing the risks faced by vessels and carriers due to the current practice of filing shortage claims in civil courts. If the petition is ultimately granted, it would establish that such claims can only be filed before the High Court, potentially curbing the abuse of the civil court system for such matters."*

## Implications for the Future of Shipping Litigation in Pakistan

Should the High Court ultimately grant the petition and affirm that shortage claims fall under its exclusive admiralty jurisdiction, this would likely reduce the number of frivolous shortage claims filed in civil courts, mitigating risks for vessels and carriers operating in Pakistani ports.

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Pakistan Partner [Mayhar Kazi](#) leads the RIAA Barker Gillette team on this matter, including Associate [Muhammad Turhan Khan](#).

**For expert guidance on admiralty matters and shipping shortage claims, please contact [Mayhar Kazi](#).**

*This article is not legal advice; it provides information of general interest about current legal issues.*

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