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Karachi Traders Stage Partial Strike Over New FBR Powers

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On July 19, 2025, Karachi’s business community launched a partial strike to protest the expanded powers of the Federal Board of Revenue (FBR) under the Finance Act 2025, with major markets like Jodia Bazaar and Sarafa Bazaar shutting down, though some areas like Gul Plaza stayed open. The strike, led by the Karachi Chamber of Commerce and Industry (KCCI), reflects deep frustration with what traders call “anti-business” tax measures, but divisions within the business community

and partial government concessions reveal a complex battle over economic policy.

The KCCI, backed by transporters and trade bodies, demanded the rollback of controversial provisions, including Sections 37A and 37B, which grant the FBR authority to arrest traders, and Section 21(S), imposing penalties on cash transactions above Rs200,000. KCCI President Javed Bilwani, speaking at a press conference, called these measures oppressive and warned of escalating protests if the government fails to provide written assurances. “We’re ready to pay taxes, but not under these draconian laws,” Bilwani told Dawn.com, emphasizing the need for fair economic policies. The strike disrupted supply chains, with transporters halting truck movements, amplifying the economic ripple effect.

However, cracks appeared in the business community’s unity. The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) postponed its participation after negotiations with the government, citing progress on amendments. FPCCI Senior Vice-President Saquib Fayyaz Magoon told Dawn.com that a special committee, led by Special Assistant to the Prime Minister Haroon Akhtar Khan, was formed to address trader grievances, signaling a willingness for dialogue. This division frustrated KCCI leaders, who accused the government of stalling with vague promises while refusing formal commitments.

The partial strike underscores a broader discontent with heavy-handed tax policies that many traders argue stifle growth and punish small businesses. While the government claims these measures target tax evasion exceeding Rs50 million, critics see them as overreach, lacking consultation with stakeholders. As Karachi’s markets reopen, the threat of intensified protests looms if demands remain unmet, raising questions about the balance between fiscal reform and economic freedom.