

ORDER SHEET  
**IN THE HIGH COURT OF SINDH AT KARACHI**

SCRA 857 of 2024

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DATE

ORDER WITH SIGNATURE OF JUDGE(S)

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1. For hearing of CMA No.3851/2024.
2. For hearing of main case.
3. For hearing of CMA No.3852/2024.

**25.05.2026**

Mr. Madan Lal, advocate for the applicant.

The impugned judgment records as follows:

“9. The DR argued that the appellant has no defense to the charge that they have declared the goods as (1) PU Artificial Leather and (2) PVC Artificial Leather of PCT Heading 5903.2000 and 5903.1000 respectively, whereas during examination, as also confirmed from the subsequent Laboratory Test, a considerable quantity of Polyester Woven Sofa Curtain Furnishing Fabric of PCT Heading 5407.5200 was found. The appellant importer has made an attempt to clear the un-declared goods (Fabric) of PCT 5407.5200 under the guise of declared goods (i.e. Artificial Leather) of PCT Heading 5903.1000 and 5903.2000. through self-assessment payment / declaration in terms of Section 79(1)(b) of the Customs Act, 1969, read with Section 6 of the Sales Tax Act, 1990. Thus, considering the plain language of Section 79(1) and 32(1) of the Customs Act, 1969, it is an established case of mis-declaration of physical description and evasion of duty/taxes through self-assessment.

10. The facts and circumstances of the case, as recorded in the impugned Order-in-Original, as well as the appellant's importer own pleadings for assessment as goods of PCT Heading 6004.1000, confirms that the Order-in-Original was passed with lawful findings that the appellant importer has made deliberate mis-declaration and imported the impugned good "Polyester Woven Sofa Curtain Fabric" under the garb of Artificial Leather. The appellant importers' reliance on the GDs assessed under PCT Heading 6004.1000 is unlawful in the presence of the Laboratory Report, which was never disputed by the appellant. Further, it is a settled principle of law that two wrongs do not make one right. Even such isolated wrongly assessed GDs are subject to scrutiny /audit under Section 32 of the Act. Considering the plain reading of Sections 79(1)(b) and 80(1) of the Act, under self-assessment automated system of WeBOC, the contents of Para-101 (B) of CGO-12/2002, become redundant as being superceded by the amended provisions of law for automated system.

11. The appellant importers' contention about the jurisdiction of the Customs authorities is patently incorrect as the plain reading of Sections 6 and 3(1)(b) of the Sales Tax Act, 1990, and Sections 32, 179 and 201 of the Act, confirms that the customs authorities have powers to recover the evaded amount of tax, which was payable at import stage as a liability of an importer, in terms of Section 79(1)(b) of the Act. Further, the provision of Section 6 of the Sales Tax Act, 1990, clearly states that the tax on the imported goods is to be collected and recovered as of customs duty. Also, keeping in view the Hon'ble Supreme Court's judgment in the case of Chairman FBR and other V/s HAZRAT HUSSAIN

and others 2018 SCMR 939 the Customs authorities are empowered to recover the short levied tax OF P

12. In view of the above, we do not find any merits in the instant appeal, hence, the same is hereby rejected.

13. Judgment passed and announced accordingly.”

On the last date following order was passed:

**“27.04.2026**

Mr. Madan Lal, Advocate for applicant.

Prima facie question pleaded seeks to re-agitate the evidential aspect of the case which is perhaps unjustifiable in reference jurisdiction. Learned counsel seeks time to reformulate questions of law. At his request, adjourned.”

Even today learned counsel is unable to displace the proponent evidence and law relied upon by the Appellate Tribunal to render its conclusion. Learned counsel remains unable to displace or distinguish the findings ad even otherwise remains unable to articulate any question of law meriting adjudication in reference jurisdiction. Since no question of law has been articulated, therefore, reference application is dismissed.

A copy of this decision may be sent under the seal of this Court and the signature of the Registrar to the learned Customs Appellate Tribunal, as required per section 196(5) of the Customs Act, 1969.

Judge

Judge