ORDER SHEET

IN THE HIGH COURT OF SINDH AT KARACHI

SCRA 131 of 2026

DATE	ORDER WITH SIGNATURE OF JUDGE(S)

1. For orders on office objections No.6 & 11.
2. For hearing of main case.
3. For hearing of CMA No.1312/2026.

16.07.2026

Mr. Aftab Ali Wassan, advocate for the applicant.

Mr. Muhammad Khalil Dogar, advocate files Vakalatnama on behalf of respondent 3, same is taken on record.

Reference application impugns the judgment dated 04.05.2026 passed by the Appellate Tribunal in CA No.H-3485 of 2024. The operative part of the impugned judgment records as follows:

> "06. It is on record that the appellant persistently failed to appear on 12.02.2026, 26.02.2026 & 05.03.2026, despite having been duly served with multiple notices. No intimation, explanation, or request for adjournment was submitted, reflecting a clear lack of diligence and interest in prosecuting the appeal. Such conduct cannot be countenanced, as it amounts to willful disregard of the appellate proceedings. This forum cannot permit its process to be frustrated or indefinitely delayed without just cause. Consequently, the matter was rightly taken up and decided on the basis of the available record, with due assistance from the learned Departmental Representative present in attendance.
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> 07. The appellant has sought to justify possession of the impugned goods, namely dry fruits, by placing reliance on various Goods Declarations (GDs) purportedly relating to different importers. However, a thorough scrutiny of these documents reveals material discrepancies in the description, quantity, and specifications of the goods, rendering them wholly unreliable for the purposes of substantiating the appellant's claim.
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> 08. The respondent department has rightly pointed out that there exists no documentary nexus whatsoever between the appellant and the alleged importers of the goods. Crucially, the appellant has failed to produce any lawful purchase invoice, sales tax documentation, or any other admissible evidence to establish a bona fide commercial transaction. In the absence of such fundamental documentation, the claim of lawful acquisition remains entirely unsubstantiated.
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> 09. It is a settled principle that the initial burden of proof, as mandated under Section 187 of the Customs Act, 1969, squarely rests upon the person claiming ownership or lawful possession of goods of foreign origin. In the present case, the appellant has manifestly failed to discharge this burden. Mere production of unrelated or mismatched GDs, without corroborative evidence, does not satisfy the statutory requirement. The record further

reflects that the documents produced by the appellant appear to be an afterthought, seemingly arranged to create a facade of legality and to evade the consequences of unlawful importation. A minute and critical examination of the submitted GDs makes it abundantly clear that they neither correspond to the impugned goods nor establish any business relationship between the appellant and the alleged importers.

10. It is also significant to note that no sales tax invoice has been produced by the appellant evidencing the sale of the specific quantity of goods in question. Furthermore, there is no material on record to demonstrate that any such transaction was ever declared in the sales tax returns of the purported importer. In the absence of these essential and mandatory documents, the appellant's claim lacks legal credibility and cannot be accepted. The law requires verifiable and documented proof of lawful import and subsequent sale; anything short of this standard is inadmissible.

11. In these circumstances, the only reasonable and legally tenable conclusion is that the impugned goods were brought into the country through unauthorized channels, without payment of applicable duties and taxes. The attempt by the appellant to rely on irrelevant and unsubstantiated documentation is clearly an effort to legitimize smuggled goods and to circumvent the law.

12. In view of the above legal and factual position, it is held that the appellant has failed to establish lawful ownership or possession of the impugned goods through credible and admissible evidence. The findings of the adjudicating authority are well-reasoned, legally sound, and based on proper appreciation of facts and law. Accordingly, the appeal is dismissed, and the impugned Order-in-Original is hereby upheld in toto.

13. Judgment passed and announced accordingly"

While five questions of law have been proposed they are *prima facie* argumentative in nature and/or seek to agitate evidence which is perhaps not permissible in exercise of reference jurisdiction. Be that as it may, learned counsel sought not to place reliance there upon and instead argued with respect to the legality of a raid conducted. Be that as it may, he remains unable to demonstrate any infraction of sections 162 and 163 of the Customs Act, 1969 and remains unable to demonstrate in infirmity in the impugned judgment. 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

Khuhro/PS