

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

SCRA 32 of 2026

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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1. For hearing of main case.
2. For hearing of CMA No.554/2026.

**04.05.2026**

Sardar Zafar Hussain, advocate for applicant.

Learned counsel had proposed following questions for determination:

1. Whether the learned Customs Appellate Tribunal Karachi has justified to hold that impugned wooden launch falls under the ambit of clause (f) of table to SRO 499(I)/2009 dated 13.06.2009 rather it was used wholly and exclusively in the transportation of smuggled goods (high speed diesel) which hits the provisions of clause (b) of SRO 499(I)/2009 dated 13.06.2009?
2. Whether after the deletion of the second proviso to section 157(2) of the Customs Act, 1969 through the Finance Act, 2022, the CAT was justified in upholding the releasing of the wooden launch which was exclusively carrying smuggled goods (HSD), despite the clear legislative intent to render such conveyances absolutely liable to confiscation without any discretion for release on redemption fine?
3. Whether the learned Customs Appellate Tribunal has failed to consider that the subject launch was designed to catch the fish in the open sea whereas it was found carrying with smuggled high speed diesel recovered from extra fabricated tanks, meaning thereby the subject launch was exclusively and wholly used in transportation and selling the offending goods in violation of law?

Learned counsel states that the case of applicant is squarely covered in favour of applicant by virtue of judgment passed by the Supreme Court in Muhammad Ishaq case vide order dated 29.10.2025 passed in Civil Petition No.2853/2025

Pursuant to order for substituted service, service has been made through publication and the relevant newspaper cutting excerpts are on record.

Learned counsel reiterates under the case of first impression and judgment has conclusively decided the same placed reliance on judgment passed in Civil Petition 2853 of 2025 and other connected matter dated 29.10.2025. The operative findings are reproduced herein below:

“11. In view of the foregoing discussion, this petition is converted into an appeal and allowed. The judgment dated 20.05.2025 of the Peshawar High Court in Custom Reference No.84-P/2025 and the judgment dated 13.03.2025 of the Customs Appellate Tribunal, Peshawar are set aside. Consequently, Order-

in-Original No.367/2024 dated 18.12.2024 passed by the Additional Collector of Customs (Adjudication), Islamabad, Camp Office, Peshawar, ordering outright confiscation of the goods and vehicle is restored.

Civil Petitions No.2854 and 3566 of 2025: In view of the findings recorded and conclusion drawn I the connected case (Civil Petition No.2853 of 2025), these petitions are converted into appeals and the same are allowed. The impugned judgments of the High Court are set aside.

Civil Petition No.3886 of 2025: In view of the findings recorded and conclusion drawn in the connected case (Civil Petition No.2853 of 2025), this petition is dismissed and leave to appeal is refused.”

Learned counsel seeks that the aforementioned judgment is binding authority as aforesaid, the question be decided in favour of applicant department and against the respondent. Order accordingly.

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