

ORDER SHEET
THE HIGH COURT OF SINDH KARACHI

SCRA No. 169 of 2026

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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- 1. For orders on office objection.
- 2. For hearing of main case.
- 3. For hearing of CMA No. 1701 of 2026.

14-10-2026

Rana Sakhawant Ali, Advocate for the applicant.
Mr. Khalilullah Jakhro, Advocate for the respondent.

The impugned judgment appears to be predicated entirely on appreciation of evidence and records as follows:

- “11. Arguments from both sides were heard in detail, the record of the cases were meticulously examined, and the matters were considered carefully in light of the submissions. The brief facts of the case are as follows: the respondent department conducted a raid at a facility located in SITE Area, Karachi, and seized 1,750 kilograms of skimmed milk. The seizure was made on the allegation that the impugned goods were brought into the country without payment of the applicable duties and taxes. Two appellants have claimed ownership of the seized goods, each asserting a claim over 1,000 kilograms. Both appellants have presented particular Goods Declarations (GD) and purchase receipt and other supporting documents. For clarity and precision, the appeals will be discussed separately.
12. The respondent department alleged that the appellant No. 1 has submitted a GD bearing the same number -GD No. GWGI-HC-1048-10.07.2024 — during the raid, but with material discrepancies between the goods actually recovered and those declared in the GD. It was contended by the department that while 1,750 kilograms were seized, the subject GD reflected only 1,000 kilograms. Furthermore, it was argued that the GD in question arrived in Karachi on 15.07.2024, whereas the SENTRY stamps on the GD presented was dated 31.07.2024, leading the department to claim that the GD was forged.
13. Mr. Rana Sakhawat Ali, counsel for Appellant No.1, M/s Saat Muhammad (hereinafter referred to as "Appellant #1"), produced the original GD No. GWGI-HC-1048-10.07.2024 before this bench. A careful examination of the GD revealed that Appellant #1 who is also owner of the M/s Dubai Tea Company had lawfully imported 1,000 kilogram of the impugned goods under the cited GD. The GD bore authentic stamps from Moachko Check Post, CC Enforcement, Karachi, and from CCE Khuzdar, both dated 14.07.2024. The import was duly made by M/s. Dubai Tea Company.
14. Appellant #1 also provided all relevant import documents and certificates, fully substantiating the lawful nature of the import. Upon examination, the dates on the GD were consistent and showed no variance, aligning logically with the timeline from importation to seizure. The trail of the GD showed that GD was filed on 10.07.2024 consequently goods were cleared on 12.07.2024, Moachko Check Post, CC Enforcement, Karachi, and from CCE Khuzdar, both dated 14.07.2024, the goods arrived at Karachi on 15.07.2024 and same were seized on 07.10.2024 after about passage of three months period. The appellant # 1 also has attached his Sales Return with

appeal, which also showed that the appellant has indeed imported and exported goods during the period.

15. The respondent department's assertion of forgery was unsupported by any documentary evidence. The appellant furnished original GD during the course of hearing which was deeply scrutinized and examined without finding any fault. Regarding the discrepancy in quantity, the seizure of the impugned goods were made at a Public Godown, therefore, it can never be conclusively said that only appellant's No.1 goods were stored during the course of raiding team. This allegation of discrepancy in quantity is also without substance. Accordingly, Appellant #1 has decisively discharged the initial burden of proof, and the respondent department has failed to establish any charges against Appellant #1 beyond reasonable doubt. Even the respondent department did not verify the Sales Tax Return as provided or raise any query over the figures shown in the Sales Tax Return of the appellant #1. No single piece of documentary evidence was brought by the respondent department to substantiate the allegations leveled against the appellant #1.

15. Turning to Appellant No.2, M/s Muhammad Saleem, it is significant to note that neither the appellant nor his counsel appeared before this bench despite repeated notices served on multiple occasions i.e. 14.07.2025, 05.08.2025, 16.09.2025, 14.10.2025, 21.10.2025, 11.11.2025, 25.11.2025, 09.12.2025, 23.12.2025, 06.01.2026, 03.02.2026, 10.02.2026, 17.02.2026, and 31.03.2026, except for the initial hearings. Despite the non-appearance of Appellant No.2 and his counsel, the matter was considered on merit, as both appeals arise from the same impugned Order-in-Original.

16. On merit, Appellant No.2 has not attached any GD with appeal and has submitted only an unverifiable and inadmissible "kacha" receipt from M/s NK Milk & Store, reflecting bags valued at Rs. 26,500,000/- in the name of Muhammad Ayaz. This receipt is not a legally admissible document to establish lawful importation or purchase. No invoice or banking transaction was provided to demonstrate that the requisite duties and taxes were paid. Consequently, Appellant No.2 has failed to discharge the initial burden of proof as required under Section 187 of the Customs Act, 1969.

17. In view of the above legal and factual position, it is held that the Appellant No.1 (M/s Saat Muhammad) has successfully demonstrated that the impugned goods were lawfully imported with proper documentation and after payment of all leviable duties and taxes. The appeal of Appellant No.1 is allowed. Appellant No.2 (M/s Muhammad Saleem) has failed to provide any admissible evidence to substantiate lawful importation or local purchase invoice to prove payment of duties except a Katcha receipt attached with appeal. Accordingly, the appeal of Appellant No.2 is dismissed, and the impugned Order-in-Original stands upheld in respect of appellant No.02 only. The impugned Order-in-Original is modified in the above terms, and both appeals are disposed of accordingly."

Learned counsel for the respondent has demonstrated that the evidence has been duly appreciated by the learned Tribunal and weightage has been apportioned in accordance with settled law. He states that notwithstanding to the foregoing, no case has made out for denovo appreciation of evidence in reference jurisdiction.

Learned counsel for the applicant has predicated his case on evidence not having been appreciated properly by the learned tribunal. He refers to paragraph-16 of the judgment to state that katchi receipt given

was not properly weighted by the learned tribunal. Perusal of the said paragraph demonstrates that prima facie the said receipt was in the name of some other person. Even otherwise no case is set forth for denovo appraisal of the reference. Since no question of law has been articulated before us, therefore, reference application stands dismissed.

A copy of this decision may be sent under seal of this Court and the signature of the Registration to the learned Customs Appellate Tribunal, as required per section 196(10) of the Customs Act, 1969.

Judge

Judge

SADAM