

THE HIGH COURT OF SINDH KARACHI

Present:

Mr. Justice Adnan Iqbal Chaudhry

Mr. Justice Muhammad Jaffer Raza

C.P. No. D – 5909 of 2025

[M/s. Power China-FWO(JV) vs. FOP & others]

Petitioner : M/s. Power China-FWO (JV),
through Mr. Amjad Hayat Advocate.

Respondent 1 : Federation of Pakistan through its
Secretary Revenue Division, through
Ms. Mehreen Ibrahim, Deputy
Attorney General for Pakistan.

Respondent 2 : The Collector of Customs,
Appraisement (East) through
Sardar Zafar Hussain, Advocate.

Date of hearing : 15-12-2025

Date of decision : 15-12-2025

ORDER

Adnan Iqbal Chaudhry J. – Petitioner has imported consignments of machinery and equipment for the project of “Diamer-Bhasha Dam” and claimed an exemption from sales tax on import under Entry No.22 of Table-3 of the Sixth Schedule to the Sales Tax Act, 1990. The Customs has denied such exemption while assessing the goods under section 80 of the Customs Act, 1969. Against said assessments, the Petitioner has preferred appeals to the Collector (Appeals) under section 193 of the Customs Act. The Petitioner prays that pending appeals, the goods may be released provisionally as the Petitioner is willing to secure the sales tax with this Court. Counsel for the Department opposes the prayer and submits that the goods do not qualify for the stated exemption.

Since the question for exemption from sales tax claimed by the Petitioner is subject matter of statutory appeal, we are inclined to accept the Petitioner's prayer for provisional release of goods. Therefore, in respect of consignments listed in Annexure 'B' to 'I' (Page-23 to 235), if the Petitioner secures the disputed sales tax with the Nazir of this Court by way of pay-orders/bank guarantees, upon a certificate to that effect by the Nazir, the Customs shall release the subject consignments forthwith. If the security is in the form of a pay-order, same shall be invested by the Nazir as per Rules. Nazir's fee shall be at Rs. 10,000/- per certificate. The security shall be subject to further orders of the Court. Petition is disposed of.

JUDGE

JUDGE

Nadeem Qureshi P.A.