

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

SCRA 776 of 2023

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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1. For hearing of CMA No.536/2023.
2. For hearing of main case.
3. For hearing of CMA No.537/2023.

04.02.2026

Mr. Muhammad Rashid Arfi, advocate for the applicant.

Following questions have been framed for determination:

- i. Has the learned Customs Appellate Tribunal not erred in law by declaring that the various methods of valuation, provided under Sec 25 of the Customs Act, 1969 have not been applied in sequential order while determining the values notified under Sec 25-A of ibid act, vide Valuation Ruling No. 1594/2022, despite the fact that para 4 of the said ruling clearly delineates the application of sub sections (5), (6), (7) and (8), of section 25, in sequential order and also records the reasons of the rejection of the before determination of value on the basis of fall back method arises under 25(9)?
- ii. Has the learned Customs Appellate Tribunal not erred in law by ordering that the declared values of the importer be accepted as transactional values, without giving consideration to the provisions of sub-Section 1, Section 25 and despite the absence of any evidence produced by the latter (letter of credit, proof of transaction etc) to prove that the declared values are the actual transactional values?
- iii. Whether in terms of Section 194-B read with Section 194-C(7) of the Act, the Appellate Tribunal has powers to pass an injunction order like the Honourable High Court for assessing the imported goods on declared transaction value under section 25(1) as against legally issued Valuation ruling issued under section 25-A?

Learned counsel states that respondent has been served through courier and places tracking report of courier on record.

Learned counsel for the applicant places reliance on order dated 17.10.2025 passed in SCRA 930 of 2023, which reads as follows:

“17.10.2025”

Sardar Zafar Hussain, advocate for the applicant.
Rana Sakhawat Ali, advocate for the respondent.

Per learned counsel for the applicant, impugned judgment is not sustainable, as it directed the transactional value to be accepted under Section 25(1) of the Customs Act, 1969, whereas, the correct recourse ought to have been for the valuation to have been ascertained in accordance with law, including without limitation reference to section 25 of the Act. In such regard, learned counsel relies upon judgment reported as 2023 PTD 1769. In pursuance hereof learned counsel for the applicant seeks

that the impugned judgment to be set aside and the matter be remanded for adjudication afresh in accordance with law.

Learned counsel for the respondent articulates no cavil to the aforesaid and also places reliance on judgment of this court dated 04.07.2024 passed in SCRA 1926 of 2023, which reads as follows:

“11. In view of hereinabove facts and circumstances, the impugned judgment of the Tribunal cannot be sustained in its entirety and the matter has to be remanded to the concerned Collectorate for passing of appropriate assessment orders under Section 25 of the Act. The questions proposed on behalf of the Applicant Department need to be rephrased in the following manner:

i. Whether in the facts and circumstances of the case, the Tribunal was justified in holding that Director Valuation had failed to follow the sequential methods of Valuation under Section 25 of the Act while determining values of the goods in question under Section 25(7) read with Section 25(9) of the Act?

ii. Whether in the facts and circumstances of the case, the exercise carried out by the Director Valuation while determining the values under Section 25(7) read with Section 25(9) of the Act was in accordance with law?

iii. Whether in the facts and circumstances of the case, the Tribunal was justified in accepting the declared values of the Respondents as true Transactional values under Section 25(1) of the Act?

12. Questions Nos.1 & 3 as above are answered in negative; in favour of the Applicant, and against the Respondents, whereas, Question No.2 is also answered in negative; against the Applicant and in favor of the Respondents. All Reference Applications are partly allowed / disposed of to the extent of Questions Nos.1 & 3 and all matters stand remanded as above to the concerned Collectorates. Let a copy of this order be sent to the Customs Appellate Tribunal in terms of sub-section (5) of Section 196 of the Customs Act, 1969. Office to place a copy of this order in the connected Reference Applications.”

Counsel jointly place reliance on paragraphs 11 and 12 of the aforesaid judgment and state that these reference applications may also be disposed of upon the same terms. Order accordingly. SCRAs stand disposed of.

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. Office is instructed to place copy hereof in the connected file.”

Learned counsel states that in view of the foregoing it may be in the interest of justice and revenue to set aside the impugned judgment and remand the matter back to the learned Tribunal for adjudication afresh in accordance with law. Order accordingly.

A copy of this decision may also be sent under the seal of this Court and 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