

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

SCRA 1958 of 2023

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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1. For hearing of main case
2. For hearing of CMA No.5621/2023

26.01.2026

Mr. Khalid Mehmood Rajpar, advocate for the applicant
Ms. Dilkhurram Shaheen, advocate for respondent

Following questions of law were proposed for determination :

- i. Whether used for the vehicle intentionally transportation of smuggled goods which were loaded in the especially fabricated cavities in the vehicle can be allowed to be released on payment of redemption fine in terms of section 181 of the Customs Act, 1969 read with SRO 499(I)/2009 dated 13.06.2009?
- ii. Whether the vehicle being used for the purpose of smuggling of goods and having cavities could be allowed release in the light of Hon'ble High Court of Sindh judgment passed in SCRA 11/2020, Collectorate of Customs Hyderabad v. Faiz Muhammad and another as well as another similar case Collector of Customs, MCC (Preventive) Custom House, Karachi v. Niaz Muhammad & Apex Court's judgment dated 23.07.2020 passed in the case of M. Hanif, in Civil Revision case No. 730-K to 760K arising out of SCRA 19/2020?
- iii. Whether the Customs Appellate Tribunal Karachi is justified to set aside the order-in-original dated 02.03.2023 in the impugned judgment whereas the appeal was instituted for release of vehicle without considering the fate of outright confiscation of smuggled goods and the applicant can hold the possession of that confiscated goods in terms of section 182 of the Customs Act, 1969?

Learned counsel for the applicant states that these questions have been decided in favour of the applicant department and against the respondent by virtue of judgment of honourable Supreme Court in the case of *Director, Intelligence & Investigation (Customs) FBR, Peshawar vs. Muhammad Ishaq* (Civil Petition Nos.2853 and 2854 of 2025); Bashir Ahmed vs. Director, Directorate of Intelligence reported as 2025 SCMR 684, Collector of Customs Appraisement West Lahore vs. Muhammad Rizwan reported as 2025 SCP 452; and of this Court in the case of *Collector of Customs Enforcement Customs House vs. Abdul Razaque* reported as 2024 PTD 1205. Learned counsel for respondent articulates no cavil in such regard and states that the reference application may be disposed of accordingly. In view hereof and in mutatis mutandis application of the binding authorities cited the questions are decided in favour of the applicant department and against the respondent. This reference application stands disposed of 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

Amjad

Judge