

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

SCRA 209 of 2025

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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- 1. For hearing of CMA No.2604/2025.
- 2. For hearing of main case.
- 3. For hearing of CMA No.2605/2025.

02.10.2026

Mr. Khalilullah Jakhro, advocate for the applicant.

Following question is proposed for determination:

- A. Whether, in view of Section 16 read with Section 2(s) of the Customs Act, 1969, the learned Customs Appellate Tribunal was justified in modifying the Order-in-Original and allowing release of the seized vehicle on payment of 40% redemption fine, despite the established finding that it was used wholly and exclusively for transportation of smuggled Indian origin Gutka liable to absolute confiscation under law?
- B. Whether, in view of Clause (89) of sub-section (1) of Section 156 of the Customs Act, 1969, read with SRO 499(1)/2009 as amended by SRO 1619(I)/2024, the learned Appellate Tribunal acted in disregard of the statutory mandate by allowing redemption of a vehicle admittedly used wholly and exclusively for transporting smuggled Indian origin Gutka, which under law is liable to absolute confiscation?
- C. Whether the learned Appellate Tribunal acted beyond its lawful jurisdiction by reassessing the appraised value of the confiscated vehicle and substituting its own conclusions for those of the Collector (Adjudication), without recording any independent finding or citing cogent reasons and supporting evidence to justify such interference?
- D. Whether the impugned order of the learned Appellate Tribunal suffers from legal infirmity for disregarding the mandatory provisions of Sections 168 and 171 of the Customs Act, 1969, read with SRO 499(1)/2009 and SRO 1619(1)/2024, which govern seizure and confiscation of smuggled goods and conveyances used wholly and exclusively in their transportation?

Learned counsel states that the respondent has been continuously avoiding adjudication, therefore, pursuant to order for substituted service, the same has been effected through publication.

Learned counsel states that these questions are no case of first impression and they have already been answered by the Supreme Court in favour of the application department inter alia by virtue of judgment of dated 29.10.2025 passed by the honourable Supreme Court in the case of Director, Intelligence & Investigation (Customs) FBR, Peshawar v. Muhammad Ishaq reported as 2026 SCMR 885. Learned counsel further

demonstrates from the conclusive paragraph that the benefit extended to the respondent, while being contrary to the law was premised on the basis that the application of law inter alia as prayed was considered. Learned counsel states that there is no provision of law for ignoring the lawful notice on the basis of conjectures and surmises. Learned counsel states that the judgment cited supra is binding on this Bench, therefore, in mutatis mutandis application thereof the question be answered in favour of the applicant 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(10) of the Customs Act, 1969.

Judge

Judge