

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

S.C.R.A. No. 294 of 2024

DATE	ORDER WITH SIGNATURE OF JUDGE
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- 1. For hearing of main case.
- 2. For hearing of CMA 1221/2024.

08.10.2026

Mr. Faheem Raza Khuhro, advocate for the applicant.
Mr. Gul Muhammad, advocate for the respondent.

Insofar as, the observation contained vide order dated 01.09.2026 is concerned, learned counsel for the applicant demonstrates that the impugned judgment has been stamped to have been received by the applicant on 07.02.2024. He states that the present reference was presented on 30.04.2024, therefore, well within the limitation period. In view hereof, the query of the previous date stands set-aside.

Following questions of law are proposed for determination:

- 1. Whether smuggled goods can be released on payment of duty & taxes and redemption fine in violation of SRO 499(I)/2009 dated 13.06.2009 read with section 181 of the Customs Act, 1969?
- 2. Whether the Customs Appellate Tribunal has justified by holding that the impugned goods were properly imported into country under valid license and all duty and taxes were legally paid when the impugned goods were legally imported into the country?
- 3. Whether consent by the respondent / claimant to pay duty and taxes at Customs Appellate Tribunal level is sufficient proof that the goods are smuggled in terms of section 2(s) of the Customs Act, 1969, and cannot be released on duty and taxes in terms of clause (a) of SRO 499(I)/2009 dated 13.06.2009 read with section 181 of the Customs Act, 1969?

Learned counsel states that notwithstanding the fact that the impugned judgment offends settled law that smuggled goods cannot be released on payment of redemption of fine, the impugned judgment is self-contradictory. He refers to typed Page 6 of the impugned judgment, available at Page 19, while demonstrating in Paragraph 6, the learned Tribunal adverts the absence of evidence in respect of the origin of the goods, however, in the very next Paragraph, it directs for the same to be released on payment of duty and taxes,

redemption fine etc. Learned counsel states that the lawful import of the consignment could not be proven then no question of its release was made. Notwithstanding the foregoing, learned counsel states that the impugned judgment has been rendered by the learned Single Member Bench and *prima facie* is in contradiction of statutory pecuniary jurisdiction. Learned counsel states that under such circumstances, it may be just and proper for the impugned judgment to be set-aside and matter be remanded back to the learned Tribunal for adjudication afresh by the learned Division Bench in accordance with law. Learned counsel for the respondent remains unable to controvert. Order accordingly.

A copy of this decision may also 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

M. Khan