ORDER SHEET

IN THE HIGH COURT OF SINDH AT KARACHI

SCRA 1056 of 2023
SCRA 1057 of 2023
SCRA 1058 of 2023

DATE	ORDER WITH SIGNATURE OF JUDGE(S)

1. For orders on office objection.
2. For hearing of CMA No.2100/2023.
3. For hearing of main case
4. For hearing of CMA No.2101/2023.

27.08.2026

Sardar Zafar Hussain, advocate for the applicant.

Following questions of law had been proposed for determination:

A. Whether the learned Appellate Tribunal committed a legal error or misapplied the law when it set aside the Valuation Ruling No. 1479/2020 dated 22.10.2020, in particular Section 25A (1) & (4) and 25D of the Customs Act, 1969 read with pertinent Rules and Notification issued for determination of Customs value.

B. Whether the learned Appellate Tribunal erroneously construed the law and facts while setting aside the impugned Valuation Ruling No. 1479/2020 dated 22.10.2020 and failed appreciate that vide impugned Order-in-Revisions the Director General in exercise of power conferred under Section 25D of the Customs Act, 1969 read with SRO 495(1)/2007 date 09.06.2007, being a specialized revision forum, rightly upheld the Customs values "Motorcycle Helmet" of different brands issued vide Valuation Ruling No. 1479/2020 date 22.10.2020, and thereby confirming that Customs values have been determined on reasonable and sound basis after giving fair opportunity to the stakeholders apparent from perusal of record and proceedings of the Revision forum?

C. Whether under the facts and circumstances of the case the learned Appellate Tribunal erred in law while passing impugned order and completely misconstrue Section 250 of the Customs Act, 1969 read with SRO 495(1)/2007 dated 09.06.2007, whereby the Director General being special forum and having technical expertise has power under Section 25D of Custom Act, 1969 for purpose of upholding the valuation ruling?

D. Whether the learned Customs Appellate Tribunal erred in law and misjudged that the impugned Order-in-Revision, whereby the Director General Customs Valuation has upheld the Customs values determined by the Director Customs Valuation vide Valuation Ruling No. 1479/2620 dated 22.10.2020, was well within four corners of law in particular with powers conferred under Section 250 of the Customs Act 1969 read with SRO 495(1) 2007 dated 09.06.2007?

E. Whether the learned Appellate Tribunal misapprehend the Section 25 and 25A of the Customs Act 1969 and failed to appreciate that the Valuation Ruling No 1479/2020 dated 22.10.2020 was issued, strictly in accordance with law by following proper method and after considering the inputs provided by the stakeholders including importers and trade bodies along with analyzing clearance data, market information and international prices during the meeting held on 30.09.2020 and 12.10.2020.

F. Whether is it possible for the learned Appellate Tribunal to force an interpretation in favor of a certain person by selectively interpreting the decisions of judicial bodies, failing to study the relevant record, and ignoring its most important portions

Notwithstanding to the foregoing, he states that the conclusion in the impugned judgment *prima facie* is dissonant with the law as there is no rationale by which the department had been directed to accept the declared value in absence of any adjudication.

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 this is not case of first impression and similar matters have already been determined by earlier Division Bench including vide 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."

Counsel further seeks that these reference applications may be disposed of for the same reasoning and upon same terms. 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. Office is instructed to place copy hereof in the connected files.

Judge

Judge

Khuhro/PS