

ORDER SHEET
THE HIGH COURT OF SINDH KARACHI

SCRA No. 39 of 2025

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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- 1. For orders on office objection.
- 2. For hearing of main case.
- 3. For hearing of CMA No. 410 of 2025.

22-10-2026

Messrs. Sardar Zafar Hussain and Muhammad Siddique,
advocates for the applicant.

Following questions of law have been pressed for determination:

- “1. Whether the Customs Appellate Tribunal has erred in law by not considering that the smuggled goods cannot be allowed to be redeemed in lieu of confiscation under the provisions of section 181 of the Customs Act, 1969 read with SRO 499(I)/2009 dated 13.06.2009, when it established that the impugned goods are non duty paid and smuggled into the country in violation of law and fall under the ambit of section 2(s) *ibid*?
- 2. Whether the Customs Appellate Tribunal Karachi is permissible to exercise the powers as provided for by or under section 181 of the Customs Act, 1969 while exercising of its appellate powers under section 194-B (3) of the Customs Act, 1969, and can allow the option in lieu of confiscation which was not allowed by the adjudicating authority to the respondent?”

Learned counsel states that the said questions are already decided by the Supreme Court in favour of the applicant department *inter alia* by virtue of judgments reported as 2025 SCMR 684 and 2026 SCMR 885. He states that two recent judgments of the Supreme Court have also bolstered the same conclusion, being judgments dated 17.08.2026 and 16.07.2026. Learned counsel states that the said judgments are binding in nature, therefore, in *mutatis mutandis* application thereof, the questions be answered in favour of the applicant department. Order accordingly. The reference is disposed of accordingly.

A copy of this decision may be sent under 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