

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

Constitutional Petition No. D-923 of 2025
(National Textile Foundation versus Province of Sindh & others)

Date	Order with signature of Judge(s)
<u>Fresh Case</u>	Before: Mr. Justice Adnan-ul-Karim Memon Mr. Justice Abdul Mubeen Lakho

Date of hearing and order : 13.01.2026

Mr. Omer Memon, advocate for the petitioner
 Mr. Mehran Khan AAG.

O R D E R

Adnan-ul-Karim Memon, J. – The petitioner has filed the captioned Constitutional Petition under Article 199 of the Constitution of the Islamic Republic of Pakistan, 1973, with the following prayer: -

- (A) *Declare that the impugned cancellation of the petitioner's registration and the impugned Letter are void ab initio, illegal, unlawful and without jurisdiction and set aside the same.*
- (B) *Direct the Respondents to issue updated registration certificate to NTF, reflecting the present board members /office bearers;*
- (C) *Suspend the operation of the impugned letter/impugned cancellation and restrain the respondents from taking any coercive action against the petitioner.*
- (d) *Grant any other relief that this court deems just and proper in the circumstances of the case.*

2. The case of the petitioner, National Textile Foundation (NTF), is that petitioner company a non-profit organization established in 1994 under the auspices of APTMA to promote education, research, and development in Pakistan's textile sector. It has played a leading role in establishing and managing institutions such as the Textile Institute of Pakistan (TIP) and other technical training centers, providing financial support, scholarships, and assistance for innovation in textile-related disciplines.

3. Learned counsel for the petitioner contends that the impugned cancellation of NTF's registration is without lawful authority. He submitted that there is no provision in the Societies Registration Act, 1860, empowering Respondent No. 2 to cancel a society's registration for non-submission of audit accounts or failure to intimate elections of the managing committee. He added that such non-compliances are not grounds for declaring a society dormant or for cancellation of registration. It is argued that the action taken is beyond statutory powers and violates

Article 4 of the Constitution, which guarantees that no person shall be deprived of rights except in accordance with law. The cancellation order was passed without issuing a show-cause notice or providing an opportunity for a hearing; therefore, it is void ab initio for violating principles of natural justice. The impugned letter dated 05.10.2023 also fails to mention any legal provision under which the authority was exercised, rendering the action arbitrary and unlawful. He accordingly prayed for the petition to be allowed.

4. Conversely, learned AAG submits that the Foundation was registered on 31.10.1994 and only once submitted the annual list of its managing body in 1996. Despite correspondence from Respondent No. 2 highlighting deficiencies and requirements, the petitioner did not submit further annual lists for 27 years as required under Section 4 of the Societies Registration Act, 1860. In compliance with FATF-related government policy, notices were issued to defaulting NGOs/NPOs to update their records. Following non-compliance, the petitioner's registration was cancelled. It is contended that the petitioner was negligent and is attempting to divert attention by leveling baseless allegations; therefore, the petition merits dismissal.

5. We have heard learned counsel for the parties and examined the record.

6. In view of the above submissions and perusal of the available record, it is noted that the impugned cancellation order does not disclose any specific statutory provision under which such drastic action was taken, nor does it reflect that any show-cause notice or opportunity of hearing was afforded to the petitioner before cancellation of its registration.

7. It is well settled that even where an entity is alleged to be in default of statutory requirements, principles of natural justice require that the affected party be put on notice and allowed to explain its position. Any order passed in violation of audi alteram partem is legally unsustainable and is liable to be declared void ab initio. However, at the same time, the record also shows prolonged non-compliance on the part of the petitioner with the statutory obligation of submitting annual lists under Section 4 of the Societies Registration Act, 1860. Such persistent default may justify initiation of appropriate proceedings in accordance with law; however, even in such circumstances, the authority is bound to act strictly within the framework of the statute and follow due process.

8. Accordingly, since the cancellation order suffers from justiciable ground and failure to afford an opportunity of hearing, the same cannot be sustained. The impugned order is therefore set aside, with the direction that the competent authority may, if so advised, proceed afresh strictly in accordance with law after issuing proper notice to the petitioner and providing an adequate opportunity to submit the requisite documents and defend its case. The aforesaid exercise shall be undertaken within two months.

9. This petition stands disposed of in the above terms.

JUDGE

JUDGE

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