

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

Special STRA 08 of 2025

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
------	----------------------------------

- 1. For hearing of CMA No.50/2025.
- 2. For hearing of main case.

12.10.2026

Mr. Jazib Aftab Memon, advocate for the applicant.

Following questions of law were proposed:

- A. Whether the Appellate Tribunal Inland Revenue's order can be deemed to be a reasoned and speaking order in terms of section 24A of the General Clauses Act, 1897, in light of its failure to appreciate the stipulations of Paragraphs 3 and 7 of the Sales Tax General Order (STGO) 12 of 2023?
- B. Whether the findings of the Appellate Tribunal Inland Revenue with regards to invocation of the provisions of section 8(1)(ca) of the Sales Tax Act, 1990 in respect of the fraudulent activities of the taxpayer in the chain and stating it to have been declared ultra vires by the superior courts is the result of mis-reading and mis-interpreting of the law and facts, thereby rendering the impugned order one without reasoning?
- C. Whether the Appellate Tribunal Inland Revenue's view that audit u/s 25 is a prerequisite for proceedings u/s 11 of the Act of 1990 is in keeping with the rationale of the judgments of this Hon'ble Court?

Bailiff report demonstrates that service has been effected. Service is held good.

Learned counsel for the applicant states that for the present purposes, it may be suffice to press reference to the extent of question No.1 stated supra. Learned counsel demonstrates from the impugned judgment that failure to appreciate the law / disregard of statutory prescription ought not to be sustained. Learned counsel insists that under such circumstances, the impugned order could not be considered as a well-reasoned order and/or a speaking order in terms of section 24A of the General Clauses Act, 1897. Learned counsel states that the same is not befitting the last fact finding forum in the statutory hierarchy, therefore, it would be in the interest of justice of all concerned that the impugned judgment be set aside and the matter be remanded back to the Appellate Tribunal for adjudication afresh in accordance with law. 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 Appellate Tribunal, as required per section 47(5) of the Sales Tax Act, 1990.

Judge

Judge