

THE HIGH COURT OF SINDH KARACHI

Before:

Mr. Justice Yousuf Ali Sayeed

Mr. Justice Adnan Iqbal Chaudhry

C.P. No. D – 5543 of 2026

[Naveena Exports Limited v. Pakistan & others]

Petitioner : Naveena Exports Limited through Mr. Hamza Waheed, Advocate, alongwith Mr. Sami-ur-Rehman, Advocate.

Respondents 1-3 : The Pakistan and two others through Ms. Mehreen Ibrahim, Deputy Attorney General for Pakistan.

Respondent 4 : Deputy Commissioner Inland Revenue through Mr. Ghulam Muhammad Dars, Advocate.

Date of hearing : 10-09-2026

Date of decision : 10-09-2026

ORDER

Adnan Iqbal Chaudhry J.- From order-in-original dated 29.06.2026 passed under section 11E of the Sales Tax Act, 1990 [Act], the Petitioner is in appeal before the Commissioner-IR (Appeals) under section 45B of the Act. Against notice of recovery dated 24.08.2026, the Petitioner has also moved an application to stay recovery pending appeal. Grievance of the Petitioner is that neither the appeal has been heard nor has any order been passed on the stay application, and in the meanwhile the Petitioner is exposed to coercive process of recovery. These facts are not disputed by learned counsel for Inland Revenue.

Under sub-section (1C) of section 45B of the Act, the Commissioner-IR (Appeals) while seized of an appeal, is vested with discretionary powers to stay recovery of tax for a period up to 30 days in aggregate. Since the Commissioner-IR (Appeals) has yet to decide the appeal nor has he passed any order on the Petitioner's stay application, we allow this petition by restraining the Respondents from

effecting recovery from the Petitioner under recovery notice dated 24.08.2026 until the Commissioner-IR (Appeals) passes an order on the Petitioner’s stay application or appeal, whichever is earlier. Petition disposed of in said terms.

JUDGE

JUDGE

SHABAN*