THE HIGH COURT OF SINDH KARACHI

<u>Before:</u>
Mr. Justice Adnan Iqbal Chaudhry
Mr. Justice Muhammad Hasan (Akber)

C.P. No. D – 3779 of 2026
[M/s. Friedland Campina Engo Pakistan Limited v. Pakistan & another]

Petitioner	:	M/s. Friesland Campina Engro Pakistan Limited through Mr. Hussain Ali Almani, Advocate.
Respondent No.1	:	Federation of Pakistan through Ms. Mehreen Ibrahim, Deputy Attorney General for Pakistan.
Respondent No.2	:	Nemo.
Respondents 3 & 4	:	The Commissioner / Deputy Commissioner Inland Revenue through Mr. Ameer Nausherwan Adil, Advocate.
Date of hearing	:	25-08-2026
Date of decision	:	25-08-2026

<u>O R D E R</u>

<u>Adnan Iqbal Chaudhry J</u>.– Aggrieved of an order dated 23.04.2026 passed under section 205 of the Income Tax Ordinance, 2001 (**the Ordinance**), the Petitioner is in appeal before the Commissioner (Appeals) under section 127 of the Ordinance. By order dated 21.05.2026, the Commissioner had granted stay against recovery for a period of 15 days i.e. up-till 04.06.2026. Grievance of the Petitioner is that while the appeal remains pending, the Commissioner (Appeals) has not passed any order on the Petitioner's application to extend the stay. Counsel for the Inland Revenue, does not dispute these facts.

The fact that Commissioner (Appeals) was inclined to stay recovery while the appeal is pending *albeit* for 15 days reflects that the Petitioner has a *prima facie* case that requires consideration. Since the application to extend stay has not been rejected, there is nothing to dislodge that presumption. Therefore, we allow this petition with the direction that until the Commissioner (Appeals) decides the

Petitioner's appeal, the officers of Inland Revenue are restrained from affecting recovery from the Petitioner on the basis of demand notice dated 23.04.2026 issued to the Petitioner under section 137(2) of the Ordinance for tax year 2025.

JUDGE

JUDGE

PS/SADAM