

ORDER SHEET  
**IN THE HIGH COURT OF SINDH AT KARACHI**

CP D 7236 of 2018  
CP D 2167 and 2800 of 2017  
CP D 3596, 4663, 4871, 6451, 7239, 7404, 7447, 7623, 7697, 7864, 7865,  
7925, 8005, 8120, 8180, 8426, 8648, 8731, 8840, 8843, 8980 of 2018  
CP D 1031, 2438, 3372, 4926, 5655, 5656, 6299, 6533, 6848, 6928, 6969,  
7587, 8039, 876 of 2019  
CPD 2771, 3057, 3435, 3889, 5986 of 2020  
CP D 1478, 14791480, 1580, 2448, 62, 6953, 7487 of 2021  
CPD 3672, 3673, 3674, 3675, 3694, 4306, 4308, 432, 433, 434, 5961, 5962,  
6561, 7, 7071, 7325 of 2022  
CPD 3472 and 63 of 2023  
CP D1867, 5107 of 2024  
CP D 186 of 2025

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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1. For hearing of CMA No.31751/2018.
2. For hearing of main case.

**05.03.2025**

M/s. Khalid Jawed Khan, Uzair Qadir Shoro, Anas Makhdoom, Fahad Khan, Hamza Waheed, Aitzaz Memon, Muhammad Aleem, Jam Zeeshan Ali, M. Talha Makhdoom, Sami-ur-Rehman Khan, Faiz Ahmed, Haider Naqi, Usman Shaukat, Basim Raza, Jawad A. Qureshi, Yousuf Khalid Anwerr, Hasan Mandviwalla, Hassan Ali, Zain ul Abdeen, Mehak Azafar, Jawaid Farooqui, Anwer Kashif Mumtaz, Qazi Umair Ali, M. Umer Akhund, Ahmed Farhaj, Aminuddin Ansari, Aizaz Ahmed, Hanif Faisal Alam, Naeem Suleman, Nasima Mangrio, Yasir Ali, Muhammad Din Qazi, Ayaz Shoukat, Faiz Ahmed Durrani, Shafaqat Zaman, Ghulam Mohiuddin, Shaukat Ayaz Awan, Faisal Shahzad Malik, Matloob Hussain Qureshi, Shahroze Sattar, Arshad Hussain, Tahmasp Rasheed Razvi, advocates for the petitioner/s..

M/s. Malik Naeem Iqbal, Talha Makhdoom, Saif Rehman, Azad Hussain for Khalid Mehmood Rajpar, Ayaz Sarwar Jamali, Shamshad Ahmed Narejo, Umair Nabi, Muhammad Aqeel Qureshi, Atir Aqeel Ansari, Muhammad Ajmal Khan, Naseema Mangrio, Bushra Zia, Syed Ahsan Ali Shah, Ameer Bakhsh Metlo, Fahad Hussain, Syed Khurram Kamal, advocates for respondents

Mr. Kashif Nazeer, Assistant Attorney General.  
Mr. Sandeep Malani, Assistant Advocate General Sindh.

This controversy pertains to levy of sales tax on services in respect of renting of immovable property. The matter was determined in favour of the tax payer vide judgment reported as 2019 PTD 389. The aforesaid judgment was upheld by the Supreme Court vide judgment dated 05.09.2022 in Civil Petition No.2133 of 2017 and others. This narrative and the pertinent observations of the Supreme Court are recorded vide order dated 29.11.2022. The said order also observes that, per the Supreme Court judgment, it appears that mere renting out a property by a landlord to a tenant is not taxable as it is not a taxable service within the ambit of the relevant statute.

The subsequent orders denote that the Advocate General Office / learned counsel for SRB had sought time upon the premise that they had preferred a review application before the Supreme Court; to seek orders as to disapplication thereof in post amendment matters; in view of the fact that the Supreme Court judgment was rendered post amendment of the relevant law. The matter was adjourned several times for different reasons, however, today we are assisted that the order of the Supreme Court dated 11.01.2024 whereby the review petitions are dismissed. The order is taken on record.

Admittedly, judgment of the Supreme Court was rendered in the post-amendment scenario and per the order sheet the review was filed specifically to seek further clarity as to whether the said judgment could be ring fenced in terms sought by the respondents. The order in review clearly records the contention of the Sindh Revenue Board's learned counsel that *he does not challenge the impugned judgment under review*. The said order concludes by dismissing the review applications. Therefore, the primary question before this Court is whether there is any legal issue that remains to be addressed by this Court.

The Supreme Court has taken notice of unmerited litigation clogging the docket attributable to acts / omissions of the exchequer. One such instance was the *Packages case*<sup>1</sup> wherein the Court was pleased to illumine as follows:

*"We may observe that the Income Tax Department, which is now the Federal Board of Revenue, must act fairly in dealing with taxpayers and to abide by the law governing it. If any benefit accrues to taxpayers under the law, it must not be withheld and the assessee's and its own time and resources should not be needlessly wasted. This frivolous litigation also wasted the time of the Tribunal, the High Court and of this Court; time which would have been better spent in resolving legitimate disputes."*

*Prima facie* the judgment of the Supreme Court speaks for itself and per the order herein 29.11.2022 it could not be demonstrated to be ring fenced as had been articulated by the Province / SRB. It is precisely in admission hereof that the review application was filed before the Supreme Court, however, it has been dismissed while expressly recording that applicant's learned counsel did not challenge the judgment under review.

In view hereof the learned Advocate General Sindh and learned Chairman Sindh Revenue Board are put on notice to provide a written submission, under their respective signatures, with respect to their stance herein, post dismissal of the aforementioned review application.

As jointly suggested to come up on 23.04.2025. Interim order, where subsisting, to continue till the next date of hearing.

As suggested, CP D 4663, 6451, 7864, 7865 of 2018 and CP D 6893 of 2021, are de-tagged from this bunch of cases and may be fixed separately according to roster.

Judge

Judge

Amjad

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<sup>1</sup> Per Qazi Faez Isa J in order dated 13.01.2022 *CIR LTO Karachi vs. Packages Limited* (Civil Petition 4-K of 2021).