

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

Spl STRA 1893 of 2023

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DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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1. For orders on office objection
2. For hearing of CMA No.5354/2023
3. For hearing of main case

**12.01.2026**

Mr. Munawar Ali Memon, advocate for the applicant  
Mr. Muhammad Inzimam Sharif, advocate for respondent

Following questions of law had been proposed for determination

- i. Whether on the facts and circumstances of the case, the learned ATIR, Karachi was justified to delete default surcharge which is required to be imposed mandatorily as per provisions of Section 34 of the Sales Tax Act, 1990?
- ii. Whether on the facts and circumstances of the case, the learned ATIR, Karachi was justified to delete the penalty u/s. 33(5) of the Sales Tax Act, 1990 despite the fact that the registered person has deliberately and willfully not paid the due tax in the time which they already collected earlier from customers as custodian?

Learned counsel states that question No.1 has already been decided in favour of the department by virtue of judgement reported as PTCL 2025 CL 28, therefore, may be answered in terms thereof. Insofar as question No.2 is concerned, learned counsel for the applicant states that the said question has been decided against the department by virtue of Division Bench judgment of this court reported as 2025 PTD 1519, therefore, in view of the binding nature the said question may be decided against the department, subject to their right of appeal before the honourable Supreme Court. 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 subsection 5 of Sales Tax Act, 1990.

Judge

Judge