

IN THE HIGH COURT OF SINDH, KARACHI

C.P No. D- 2973 of 2025

M/s. Prime Brands Distribution (Pvt) Ltd. V. Federation of Pakistan & others

Present:

Mr. Justice Yousuf Ali Sayeed,

Mr. Justice Muhammad Osman Ali Hadi

Date of hearing: 25.03.2026.

Date of decision: 25.03.2026

Petitioner: Through Mr. Mushtaque Hussain Qazi,
Advocate.

Fed. Of Pakistan: Through Ms. Mehreen Ibrahim, DAG.

Respondent No. 3: Through Mr. Rana Sakhawat Ali, Advocate

JUDGEMENT

Muhammad Osman Ali Hadi, J: The Petitioner has filed the instant Petition, *inter alia* challenging suspension of their Sales Tax Registration. Learned counsel for the Petitioner submits that the Petitioner received a Pre-Suspension Notice dated 27.12.2024¹, whereby the Respondents had stated that due to alleged fake input tax adjustments, their sales tax registration was to be suspended.

2. Pursuant to the said Notice, the Petitioner received a Show Cause Notice (“SCN”) dated 14.02.2025,² under which the Petitioner was called upon to show cause as to why their registration should not be blacklisted.

3. Simultaneously, the Sales Tax Registration of the Petitioner was suspended by Commissioner-IR, Zone VI, CTO Karachi vide Suspension Order No. 2028 dated 14.02.2025. Against the said suspension, the Petitioner filed a Review Application under Section 21(5) of the Sales Tax Act 1990 (“STA 1990”).

¹ Available at Page 63 of the file

² Available at Page 93 of the file

4. During pendency of the said Review Application, the Petitioner also approached this Court in C.P No. D-1452/2025, seeking expeditious hearing of the Review Application. The said Constitution Petition was disposed vide order dated 30.04.2025³, whereby this Court held that the said application pending before the Chief Commissioner / Respondent No. 2 was to be heard within a period of three (3) days, after giving the Petitioner an opportunity of hearing.

5. Pursuant to the above-mentioned order of this Court, Respondent No. 2 decided the Review Application after hearing the parties, and passed Order dated 03.05.2025⁴ (“**Impugned Order**”), whereby they dismissed the Petitioner’s Application for Review, for being devoid of any merit.

6. The Petitioner then filed the instant Constitutional Petition against the Impugned Order passed in Review dated 03.05.2025 (“**The Impugned Order**”), which had upheld suspension of their Sales Tax Registration.

7. Counsel then informed us that the previously referred Show Cause Notice dated 14.02.2025 (mentioned *ibid*) for blacklisting, resulted in termination and a blacklisting order dated 11.05.2025⁵ was passed against the Petitioner. Against the said blacklisting order, the Petitioner filed an application before Respondent No. 2 dated 13.06.2025 under Section 21(5) of the STA 1990 (which at the time of filing the instant Petition remained pending).

8. The essence of this Petition, as can be seen from the pleadings of the Petitioner, is that the Petitioner seeks quashment of the Impugned Order dated 03.05.2025, but a perusal of the Memo of Petition would show the Petitioner is attempting to

³ Available at Page 61 of the file

⁴ Available at Pages 115-137 of the file

⁵ Available at Page 143 of the file

thwart statutory proceedings. It was the Petitioner themselves who approached Respondent No. 2 under the review jurisdiction per (the now erstwhile) section 21(5) Sales Tax Act 1990 (“**STA 1990**”), therefore acquiescing to the statutory jurisdiction of the Respondents for a remedy as provided under the STA 1990. The Petitioner cannot now be permitted to bypass the decision from the statutory forum (of their choosing), simply because they disagree with the outcome.

9. It is settled law that the Constitutional Jurisdiction of this Court cannot be invoked simply because a party has a grievance against the outcome stemming from a statutory remedy, without showing any error in jurisdiction and/or abuse of power by the statutory forum below. In the case of *Mubd. Husain Munir*,⁶ the Hon’ble Supreme Court when considering the Constitutional (Writ) Jurisdiction of this Court, opined:

“However, that may be, it is wholly wrong to consider that the above Constitutional provision was designed to empower the High Court to interfere with the decision of a Court or tribunal of inferior jurisdiction merely because in its opinion the decision is wrong. In that case, it would make the High Court's jurisdiction indistinguishable from that exercisable in a full-fledged appeal, which plainly is not the intention of the Constitution-makers”.

10. The Petitioner in the instant matter has failed to highlight any lack of jurisdiction or any other illegality committed by Respondents No. 2 or 3, except simply that the Petitioner does not agree with the final outcome of their findings.

11. Additionally, this Petition was filed against the Impugned Order relating to the findings of Respondents No. 2 & 3 against the pre-suspension notice issued to the Petitioner. Since the matter

⁶ PLD 1974 SC 139

had culminated into blacklisting of the Petitioner, which has been separately challenged by the Petitioner before Respondent No. 2, therefore the potency of the Impugned Order has diminished (since a subsequent blacklisting order was passed which was challenged before Respondent No. 2), and therefore the relevance of this Petition has also abated.

12. A perusal of the Memo of Petition and the Prayer Clause would also illumine that the Petition appears highly misconceived, and that the Petitioner is attempting to use this Petition to substitute functions relating to calculation of tax (which also includes factual disputes), which are statutorily mandated to be carried out by the Respondents, and do not require any interference.

13. In summary, the Petitioner followed the statutory mechanism which provided adequate remedies, and have remained unable to establish any unlawful abuse of authority or lack of jurisdiction on the part of the Respondents; thereby not having shown any illegality with the Impugned Order or with the actions of the Respondents. For the reasons aforementioned, the instant Petition stands dismissed.

Petition dismissed.

Judge

Judge