

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

Special STRA 85 of 2024

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
------	----------------------------------

- 1. For hearing of main case.
- 2. For hearing of CMA No.1786/2024.

02.10.2026

Mr. Shafqat Zaman, advocate for the applicant.
Mr. Faheem Raza Khuhro, advocate for the respondent.

On 09.09.2026, following order was passed:

"09.09.2026

Mr Shafqat Zaman, advocate for the applicant.
Mr. Faheem Raza Khuhro, advocate for the respondent.

Learned counsel confines this reference to pressing the following question:-

"Whether in facts and circumstances of the case the assessing officer was justified to impose penalty under section 33 of the Sales Tax Act, 1990 without establishing mens rea?

Learned counsel for the respondent may seek instructions. To come up after three weeks."

Learned counsel for the respondent is present and states that it is well settled law that penalty under section 33 of the Sales Tax Act, requires establishment of mens-rea. Learned counsel for the respondent also places on record the judgment of this court dated 08.10.2025 in Special STRA 191 of 2018.

In view hereof, the question framed for determination is answered in favour of the applicant and against the respondent department. As a consequence thereof, the security put in place pursuant to orders of this court dated 06.09.2023 is hereby discharged and may be returned to the applicant upon proper verification and identification. Reference application stands disposed of.

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(5) of the Sales Tax Act, 1990.

Judge

Judge