

**IN THE HIGH COURT OF SINDH,
AT KARACHI**

C. P. No. D-3933 of 2026

Present:

Yousuf Ali Sayeed, J
Adnan Iqbal Chaudhry, J

Petitioner : Prime Green Energy (Private)
Limited through Haider Ali
Khan, Advocate and Sami-ur-
Rahman, Advocate.

Respondent No.1 : Federation of Pakistan through
Ms. Mehreen Ibrahim, DAG.

Respondents No.2-4. : Commissioner Inland Revenue
& others through Mukesh
Kumar Khatri, Advocate.

Date of hearing : 07.10.2026.

ORDER

YOUSUF ALI SAYEED, J. - The Petitioner has impugned a Notice dated 05.06.2026 issued by the Respondent No.3, requiring it to comply with a Show Cause Notice (**SCN**) dated 11.03.2022 under Section 122 of the Income Tax Ordinance 2001, relating to the Tax Year-2020, the substantive portion of which, inter-alia, reads as under:-

“REMINDER,

Please refer to this office show cause notice bearing bar code and date mentioned above.

The above-referred show cause notice has been duly served upon you. However, the proceedings of said show cause notice are

still pending. Hence, in the interest of justice, you are hereby provided another opportunity of being heard through this reminder to submit full/remaining details/documents along with evidences as required to the office of the undersigned so that ongoing proceedings in your tax affairs may be finalized by the undersigned. The date of compliance is fixed as mentioned above at the office of the undersigned.

Please note that in case of non/partial / unsatisfactory compliance within due date, it shall be presumed that you have nothing to submit in your defense against the show cause notice and the undersigned shall be constrained to draw adverse inference as per law and available record by finalizing the proceedings and passing the order on the basis of available information with this office of the undersigned.”

As it transpires, the Petitioner had filed Suit No.444 of 2022 before this Court under its erstwhile Original Civil Jurisdiction in terms of the Sindh Civil Courts Ordinance 1962, impugning a Notice dated 08.03.2022 as well as aforementioned SCN, with the matter being disposed off vide an Order dated 01.04.2022 in view of the withdrawal of the SCN by the Respondent No.4. That Order reads as follows:

“...After briefly arguing the matter, learned counsel for the Defendants 2 and 3, with the concurrence of the Officers of the Department present with him, states that the Department withdraws the impugned notice dated 08.03.2022 and the impugned show cause notice dated 11.03.2022 and, thereafter, they will issue a fresh notice calling upon the Plaintiff to provide the remaining record viz. bank statements, and then proceed further with the audit proceedings in accordance with the provisions of section 177 of the Income

Tax Ordinance, 2001. Mr. Hyder Ali Khan, learned counsel for the Plaintiff states that within three days of such notice, the Plaintiff shall provide bank statements. In view of the withdrawal of the impugned notices, learned counsel for the Plaintiff does not press the suit any further. Same is disposed of in above terms along with pending application.”

(underlining added).

Thereafter, the Respondent No.4 apparently issued a notice dated 21.10.2022 highlighting discrepancies allegedly found in the Petitioner’s record, which was responded to in terms of replies dated 28.10.2022, 29.11.2022, and 13.12.2022. Subsequently, the Respondent No.3 assumed jurisdiction for the Petitioner’s case and issued a notice to the Petitioner dated 14.04.2023, referring to the SCN and demanding that the Petitioner comply and show cause, to which the Petitioner responded on 20.04.2023, informing the Respondent No.3 of the aforementioned Order made in the Suit while pointing out that the SCN was no longer in the field. Apparently, the Respondent No.3 then took no further step in the matter until issuing the impugned Notice, erroneously observing that the proceedings arising from the SCN were still pending, purporting to provide the Petitioner another opportunity to supply documents and be heard prior to passing of an adverse order.

When confronted with this state of affairs and queried as to how the impugned Notice could seek to build on a SCN that had already been withdrawn, learned counsel appearing for the department was at a loss to advance any plausible explanation.

Under the given circumstances, it is evident that the impugned Notice lacks any foundation. That being so, the Petition stands allowed, with the impugned Notice being set aside.

JUDGE

JUDGE

MUBASHIR