

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

Spl. STRA 161 of 2025

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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1. For hearing of CMA No.1804/2025
2. For hearing of main case
3. For hearing of CMA No.1805/2025

11.03.2026

Mr. Shams Mohiuddin Ansari, advocate for the applicant
Ms. Summiya Kalwar, advocate for respondent

On 11.02.2026, following order was passed :

“Learned counsel for the applicant proposes following questions of law for determination :

1. Whether the Appellate Tribunal, SRB, was justified in upholding the recovery of sales tax on services rendered outside the Province of Sindh, given that the scope of the Sindh Sales Tax on Services Act, 2011 is territorially limited to the Province of Sindh under section 1 of the said Act?"
2. Whether the brokerage services provided by the Appellant from an independent office(s) outside of the Province of Sindh were liable to Sindh Sales Tax?
3. Whether the learned Appellate Tribunal erred in law and fact by failing to appreciate the facts and circumstances of the case and directing the Respondent department to recover the default surcharge under Section 44 of the Sindh Sales Tax on Services, Act, 2011 (the "Act") and penalty amount under Section 43 of the Act?
4. Whether any penalty or default surcharge can be imposed on the Applicant when there is no default by the Applicant in respect of the payment of the principal amount?

He places reliance on judgment reported as 2025 PTD 1733. Admit reference; notice to the respondent through first two modes as well as courier. Learned counsel to place tracking report of courier on record. To come up on 25.02.2026”

On 25.02.2026, following order was passed :

Ms. Summiya Kalwar advocate files power on behalf of the Respondent and seeks time to obtain instructions in so far as observation regarding the judgment reported as 2025 PTD 1733 is concerned. At her request to come up on 11.03.2026.

Today learned counsel for respondent is present and states that the observation recorded supra is correct, therefore, question proposed for determination may be answered in favour of the applicant in *mutatis mutandis* application of the authority cited, subject to right of appeal of the respondent 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 63 (5) of the Sindh Sales Tax on Services Act, 2011.

Judge

Judge