THE HIGH COURT OF SINDH KARACHI

Present:
Mr. Justice Adnan-ul-Karim Memon
Mr. Justice Adnan Iqbal Chaudhry

C.P. No. D – 4127 of 2026
[Ghandhara Automobile Ltd. versus FOP and others]

Petitioner	:	Ghandhara Automobile Limited versus Federation of Pakistan and others through Mr. Muhammad Inzimam Sharif, Advocate.
Respondents 1-2	:	Federation of Pakistan and another through Ms. Mehreen Ebrahim, DAG.
Respondents 3-4	:	Commissioner, Inland Revenue and another through Mr. Faheem Raza, Advocate.
Date of hearing	:	17-07-2026
Date of decision	:	17-07-2026

O R D E R

Adnan Iqbal Chaudhry J. – Against order-in-original dated 29.05.2026 passed by the Deputy Commissioner-IR under section 11E of the Sales Tax Act, 1990 **[Act]**, the Petitioner has preferred an appeal to the Commissioner-IR (Appeals) under section 45B of the Act along with application to stay recovery of tax pending appeal. Grievance of the Petitioner is that neither the appeal has been heard nor has any order been passed on the stay application, and in the meanwhile the Petitioner is exposed to coercive process of recovery under section 48 of the Act. These facts are not disputed by learned counsel for Inland Revenue.

Under sub-section (1C) of section 45B of the Act, the Commissioner-IR (Appeals) while seized of an appeal, is vested with discretionary powers to stay recovery of tax for a period up to 30 days in aggregate. Since the Commissioner-IR (Appeals) has yet to decide the appeal nor has he passed any order on the Petitioner's stay application, we allow this petition by restraining the Respondents from effecting recovery from the Petitioner on the basis of order-in-original dated 29.05.2026 until the Petitioner's appeal is decided by the Commissioner-IR (Appeals). Petition is disposed of in said terms.

JUDGE

JUDGE

*SHABAN**