

**ORDER SHEET**  
**IN THE HIGH COURT OF SINDH, KARACHI**  
**C.P.No.D-2976 of 2018**

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Date

Order with signature of Judge  
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**Present**

**Mr. Justice Muhammad Ali Mazhar**

**Mr. Justice Agha Faisal**

M/s. Delux Textile.....Petitioner

Versus

Federation of Pakistan & another.....Respondents

**23.05.2018**

Mr. Aqeel Ahmed Khan & Ms. Rashida Parveen,  
Advocates for the Petitioner.

Mr. Kafeel Ahmed Abbasi, Advocate for Tax Department.

Mr. Asim Mansoor Khan, D.A.G.

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**Muhammad Ali Mazhar, J:** Basically through this petition the petitioner has challenged the suspension order dated 22.03.2018 issued by the Commissioner-IR under Section 21(2) of the Sales Tax Act, 1990. In paragraph 2 of the suspension order, it is stated that the petitioner is involved in the evasion of sales tax by misusing SRO No.1125(I)/2011 dated 31.12.2011, therefore, in exercise of powers conferred under Section 21(2) of the Sales Tax Act, 1990 r/w Rule 12 of Chapter I of Sales Tax Rules, 2006 the commissioner passed the order for the suspension of the sales tax registration with immediate effect. The learned counsel for the petitioner pointed out an order passed by me (Muhammad Ali Mazhar; J) while sitting at original side in the case of **M/s. Inbox Business Technologies Ltd. vs. Pakistan through Secretary Revenue Divisions & others,** reported in **2018 PTD 621**. In this case, the relevant provisions provided under the Sales Tax Act for exercising the right of suspension and the Rules have been discussed. After detailed deliberation and discussion, the suspension

order was set aside. The relevant paragraph 19 of the Judgment is reproduced as under:

“19. In the wake of above discussion, the suspension order dated 17.10.2017 passed by Commissioner Inland Revenue is set-aside. However, the proceedings if any commenced with regard to blacklisting may continue and after providing ample opportunity of hearing, the order may be passed by the competent authority. In case of any adverse order, the plaintiff may seek appropriate remedy provided under the provisions of Sales Tax Act, 1990. The application is disposed of accordingly.”

The learned counsel for the petitioner requests that the operation of suspension order passed by the Commissioner may be suspended, however, the proceedings for blacklisting may be continued in accordance with the law on which Mr. Kafeel Ahmed Abbasi, learned counsel appearing for the Tax Department has no objection. The petition is disposed of accordingly alongwith pending application. Mr. Kafeel Ahmed Abbasi undertakes that sales tax registration of the petitioner will be restored within four working days.

Judge

Judge

Asif

