

ORDER SHEET
HIGH COURT OF SINDH, KARACHI

C.P. No.D-2358 of 2016

| Date | Order with signature of Judge |
|-------------|--------------------------------------|
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Present

Mr. Justice Muhammad Ali Mazhar.

Mr. Justice Agha Faisal.

M/s. Advance Business System.....Petitioner

Versus

Federation of Pakistan & others.....Respondents

Date of hearing 17.10.2018

Mr. Aqeel Ahmed Khan advocate for the petitioner

Mr. Shahid Ali Qureshi advocate for the respondent No.3.

Mr. Kafeel Ahmed Abbasi advocate for the Tax Department.

Muhammad Ali Mazhar, J: The petitioner has challenged the show cause notice issued under Section 11(3) of the Sales Tax Act by the respondent No.3. Through this notice, the petitioner was called upon to show cause as to why the sale tax amount of Rs. 1,046,057,587 should not be recovered along with default surcharge under Section 34 and penalty under Section 33 of the Sales Tax Act, 1990.

2. The basic ground raised by the petitioner that the show cause notice was coram non judice as according to them respondent No.3 has no jurisdiction to issue show cause notice but jurisdiction lies with the respondent No.2 under the provisions of Sales Tax Act.

3. Today Mr. Kafeel Ahmed Abbasi advocate has filed parawise comments of the respondent No.2 in which it is clearly stated that the respondent No.2 vide office letter dated 04.05.2016 requested the respondent No.3 to transfer case record for further necessary proceedings by this office. Learned counsel for the Tax Department supported the contention that the show cause notice could have been issued by the respondent No.2 and not by the respondent No.3. The statement is taken on record. The show cause notice issued by the respondent No.3 shall be withdrawn, however, respondent No.2 will be at liberty to take all necessary actions in accordance with law including the issuance of fresh show cause notice to the petitioner. By consent this petition is disposed of accordingly.

JUDGE

JUDGE

Aadil Arab