

ORDER SHEET
HIGH COURT OF SINDH AT KARACHI

C.P. No.D-3164 of 2021

Date	Order with signature of Judge
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1. For hearing of CMA No.13489/2021
 2. For hearing of main case
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07.02.2022.

Mr. Fazal Mehmood Sherwani, Advocate for the petitioner.
Mr. Kafeel Ahmed Abbasi, Advocate for the department.

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Learned counsel for the petitioner states that the issue involved in the instant petition stands squarely covered by the decision given in the case bearing C.P. No.D-8101/2017, which is endorsed by the learned counsel for the department. We, therefore, dispose of this petition along with the listed application in the same terms and method as decided in paragraph No.07 of the aforesaid decision is reproduced herein below:-

“7. It is for these reasons, we through our order dated 12.09.2019 allowed these petitions in the following terms:-

- i. Rule 12(a)(i) of the Sales Tax Rules, 2006, to the extent it gives authority to the Commissioner to suspend the sales tax registration of a registered person “without prior notice”, is hereby declared to be ultra vires to the Constitution, violative of principles of nature justice and in excess of authority vested under section 21(2) of the Sales Tax Act, 1990.*
- ii. All the orders of suspension of Sales Tax Registration issued to the petitioners in violation of express provisions of Section 21(2), which requires the satisfaction of the Commissioner and only to be made where a registered person is found to have been issued fake invoice, or has otherwise committed tax fraud, without confronting the registered person with such reasons in writing, is declared to be without lawful authority and of no legal effect; and*
- iii. All the order(s) of suspension of Sales Tax Registration, wherein, Show Cause Notice(s) under Section 21(2) has not been issued within seven days therefrom, and/or no order to blacklisting has been passed within ninety days of issuance of the notice of hearing, the suspension of Sales Tax Registration becomes void-ab-initio, accordingly their Sales Tax Registration stands restored”*

JUDGE

JUDGE