

ORDER SHEET  
**IN THE HIGH COURT OF SINDH, KARACHI**  
C. P. NO. D- 3398 of 2021 along with  
C.P No. D- 3399, 3400, 3401, 3402, 3727, 3728, 3729, 3730, 3731, 4116,  
4117, 4118 & 4119 of 2021

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Date Order with signature of Judge

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**Priority.**

- 1) For hearing of CMA No. 14325/21.
- 2) For hearing of main case.

**24.01.2023.**

Mr. Jibran Pirzada, Advocate holding brief for Mr. Abdul Sattar Pirzada, Advocate for Petitioners in C.P No. D- 4116, 4117, 4118 & 4119 of 2021.  
Mr. Muhammad Din Qazi & Mr. Muhammad Faheem Bhayo, Advocates for Petitioners in C.P Nos. D- 3398, 3399, 3400, 3401, 3402 of 2021  
Mr. Muhammad Nasir holding brief for Mr. Jawaid Farooqui, Advocates for Petitioners in C.P No. D-3727, 3728. 3729, 3730, 3731 of 2021.  
Mr. Ayaz Sarwar Jamali, Adovcate for Respondents.  
Mr. Irfan Mir Holepota, Advocate for Respondents.  
Mr. Qazi Ayazuddin Qureshi, Assistant Attorney General along with Mr. G.M Bhutto, Assistant Attorney General.

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It appears that the controversy as raised in these Petitions in respect of Show Cause Notices issued under Section 182 of the Income Tax Ordinance, 2001, now stands decided by a learned Division Bench of this Court vide Judgment dated 11.02.2022 passed in C.P No. 1359 of 2021 and other connected matters (*M/s. Sakrand Sugar Mills Limited Vs. Federation of Pakistan and others*) and the operative part whereof reads as under:-

“15. We would like to state that proceedings for imposition of penalty, as stated above, are either criminal or quasi criminal in nature and burden in this regard is always upon the department to prove that the person has brought himself in the ambit of the penalty, as clearly spelt out under Sections 111 and 182 of the Ordinance, and simply on the ground that the assessee has failed to satisfactorily explain the amount /income would not /should not be considered as a valid reason warranting the department to impose the penalty. It may also be noted that in penalty proceedings the department has to establish independently, on the basis of the material available on record, the reasons for imposition of penalty.

16. In view of the above discussion, we dispose of these petitions by directing the petitioners to give a proper /detailed reply to the department in respect of the SCNs issued by them, for imposition of

penalty under Section 182 of the Ordinance, and the department in this regard is legally bound to consider the said reply and thereafter to pass a speaking order after granting opportunity of hearing to the petitioners strictly in accordance with law.”

In view of above all these Petitions along with pending applications are also disposed of on the same terms and reasons so assigned in the above said judgment.

Office to place copy of this order in the connected petitions as above.

**J U D G E**

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Ayaz