

ORDER SHEET
IN THE ISLAMABAD HIGH COURT, ISLAMABAD
JUDICIAL DEPARTMENT

W.P.No.4042/2019

M/s Infinitum Innovations (Pvt.) Limited

Versus

Deputy Commissioner Inland Revenue and others

S. No. of order / proceedings	Date of order/ Proceedings	Order with signature of Judge and that of parties or counsel where necessary.
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25.11.2019 Ch. Naeem-ul-Haq, Advocate for the petitioner

Through the instant writ petition, the petitioner, M/s Infinitum Innovations (Pvt.) Limited, seeks a restraint against the respondents from recovering the impugned tax liability until the decision on the petitioner's appeal, which is pending adjudication before respondent No.2 (Appellate Tribunal Inland Revenue).

2. The record shows that vide assessment order dated 26.03.2019, a demand for an amount of Rs.11,697,074/- was raised against the petitioner by respondent No.1 (Deputy Commissioner Inland Revenue) in terms of Section 34 of the Sales Tax Act, 1990 ("the 1990 Act") pertaining to the Tax Period (July, 2016 to June, 2018). The petitioner challenged the said order dated 26.03.2019 in an appeal before respondent No.3 (Commissioner Inland Revenue). Respondent No.3, vide order dated 21.10.2019, dismissed the said appeal. Against the said orders dated 26.03.2019 and 21.10.2019, the petitioner filed an appeal before respondent No.2 on 14.11.2019. Along with the said appeal, the petitioner also filed an application for grant of stay. The petitioner's appeal along with application for grant of stay is still pending adjudication before respondent No.2.

3. Learned counsel for the petitioner submits that even though the petitioner's appeal is still pending adjudication before respondent No.2, the petitioner

has an apprehension that the respondent department may initiate recovery proceedings on the basis of recovery notice issued in terms of Section 48 of the 1990 Act; that fearing the adoption of coercive measures during the pendency of the petitioner's appeal before respondent No.2, the petitioner has invoked the Constitutional jurisdiction of this Court to obtain a reprieve, as a stopgap measure, against the recovery of the disputed tax liability; and that if the interim reprieve is not granted, the petitioner shall be subjected to coercive measures.

4. Consistent with the order dated 18.04.2016, passed by this Court in W.P. No.1367/2016 and by following the law laid down in the cases of M/s Pak Saudi Fertilizers Ltd Vs. Federation of Pakistan & others (2002 PTD 679), Z.N. Exporters (Pvt.) Ltd Vs. Collector of Sales Tax (2003 PTD 1746), Brothers Engineering (Pvt.) Ltd. Vs. Appellate Tribunal Sales Tax (2003 PTD 1836) and Mehram Ali Vs. Federation of Pakistan etc (PLD 1988 SC 1445), I am inclined to dispose of this petition with the direction to respondent No.2 to decide the petitioner's appeal within a period of sixty days and till then no coercive measures shall be adopted against it for the recovery of disputed tax liability. The petitioner is directed to appear and argue its case before respondent No.2 without seeking any adjournment as and when the appeal is fixed for hearing.

5. Disposed of in the above terms.

(MIANGUL HASSAN AURANGZEB)
JUDGE

Qamar Khan*