

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

ITRA 15 of 2016

DATE	ORDER WITH SIGNATURE OF JUDGE
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For hearing of main case

14.04.2026

Mr. Faheem Ali Memon, advocate for the applicant

This reference application is pending since 2016 and following questions had been proposed for determination :

- i. Whether under the legal and factual circumstances of the case, the learned ATIR was justified to dismiss the departmental appeal on the issue of thin capitalization without considering the condition laid down in sub section (2) of Section 106 of the Income Tax Ordinance, 2001?
- ii. Whether under the legal and factual circumstances of the case, the learned ATIR was justified to dismiss the departmental appeal on the issue of disallowance of unrealized exchange loss, which was claimed on national basis?

Learned counsel demonstrates that respondent have abjured the adjudication for the last ten years and this matter remains pending clogging the docket. He states that the impugned judgment has been rendered in a perfunctory manner and the issues before the learned Tribunal, including the aforementioned questions, have not been duly discussed, deliberated or addressed. He states that the same is patently not befitting the last fact-finding forum in the statutory hierarchy. Learned counsel states that it may be in the interest of justice and revenue for the impugned judgment to be set aside and the matter be remanded back to the learned Tribunal for adjudication afresh in accordance with law. Order accordingly.

A copy of this decision may be sent under the seal of this Court and the signature of the Registrar to the learned Appellate Tribunal, as required per section 133(8) of the Income Tax Ordinance, 2001.

Judge

Judge