

**ORDER SHEET**  
**HIGH COURT OF SINDH, KARACHI**

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**Suit No. 1139 of 2017**

<b>Date</b>	<b>Order with signature of Judge</b>
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**Present**

**Mr. Justice Muhammad Ali Mazhar.**

Al-Karam Textile Mills (Pvt) Ltd.....Plaintiff

Versus

Federation of Pakistan & others .....Defendants

**Date of hearing 09.05.2017**

Mr. Muhammad Ameen Bandukda advocate for the plaintiff.

Mr. Kashif Nazeer advocate undertakes to file vakalatnama for the defendant No. 3 to 5. (The vakalatnama may be filed in office).

Ms. Fauzia Rasheed advocate undertakes to file vakalatnama of Mr. Suhail Muzaffar advocate for defendant No.6. (The vakalatnama may be filed in office).

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**Muhammad Ali Mazhar, J:** The plaintiff has challenged the order dated 18.07.2016 (effective from 01.07.2016 to 30.06.2017), whereby, the exemption certificate applied by the plaintiff under Section 148 of the Income Tax Ordinance, 2001 was refused.

2. At the very outset, learned counsel for the department invited my attention to Section 122-B of the Income Tax Ordinance, 2001, whereby, the revisional powers have been conferred upon the Chief Commissioner who may either of his own motion or on an application made by the taxpayer, call

for the record of any proceedings relating to issuance of an exemption or lower rate certificate with regard to collection or deduction of tax at source. Learned counsel for the department argued that appropriate remedy is available under the Law but the plaintiff has approached this court.

3. Learned counsel for the plaintiff agrees to file revision under Section 122-B of the Income Tax Ordinance, 2001 but he requests that his consignment is lying at port, therefore, he requests that his consignment may be released on furnishing bank guarantee with the concerned Collectorate. Learned counsel for the department on instructions have no objection. The suit is disposed of along with pending application in the following terms:-

- i. The plaintiff may file revision under Section 122-B of the Income Tax Ordinance, 2001 to the Chief Commissioner against the refusal order of exemption which will be decided in accordance with law and after providing ample opportunity of hearing to the plaintiff.
- ii. The consignment shall be released on furnishing bank guarantee equivalent to the differential amount of tax to the concerned Collectorate of Customs. The bank guarantee shall not be encashed at least one week after decision of Chief Commissioner, however, it is clarified that within one week the plaintiff will file the revision application.

JUDGE