

# HIGH COURT OF SINDH AT KARACHI

ITC No.418 of 2004

Present:

Mr. Justice Irfan Saadat Khan  
Mr. Justice Mahmood A. Khan.

Dates of hearing: 27.04.2017 and 28.04.2017 .

Applicant: Through Mr. Muhammad Aqeel Qurshi, advocate .

Respondent: Through Mr. Khalil Ahmed, advocate .

## J U D G M E N T

IRFAN SAADAT KHAN, J.: This Income Tax Case has been filed by raising the following questions of law:-

- i) *“Whether on the facts and circumstances of the case, the learned Income Tax Appellate Tribunal was justified in directing to tax only Rs.500,000/- u/s 12(18) of the repealed Income Tax Ordinance, 1979 as the peak credit entry whereas the total amount of cash loan was Rs.1,165,500/- and the assessee had not produced any evidence regarding repayment of any part of the loan during the year?”*
- ii) *“Whether on the facts and circumstances of the case, the learned Income Tax Appellate Tribunal was justified in deleting the balance addition made u/s 12(18) of the Repealed Income Tax Ordinance 1979, when assessee had not produced any evidence of returning the loan either before the assessing officer or before the learned Commissioner of Income Tax (Appeals)?”*

At the very outset, the learned counsel for the applicant states that the question proposed in the instant Income Tax Case has already been decided in the case of Commissioner of Income Tax and Wealth Tax Vs. Usman Ghee Industries (Pvt.) Ltd. and others [(2007)96 Tax 1 (S.C. Pak.)]. He, therefore requests that the instant matter may be decided in the same manner as already decided by the Hon’ble Supreme Court of Pakistan in the above referred judgment.

-: 2 :-

We, therefore, decide the instant proposed questions in affirmative  
i.e. in favour of the tax payer and against the Department.

The instant ITC stands disposed of.

JUDGE

JUDGE