

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI
Income Tax Reference Application No. 220 of 2008

DATE

ORDER WITH SIGNATURE OF JUDGE

Hearing of Case.

For hearing of main case.

06.05.2024.

Mr. Munawar Ali Memon, Advocate for Applicant.
Mr. Abdul Khaliq Khatri, Advocate for Respondent.

Learned Counsel appearing on behalf of Applicant has, at the very outset, placed before us judgment dated 03.05.2023 passed by a learned Division Bench of this Court in **Income Tax Cases Nos. 223 to 238 of 2001 (The Commissioner Income Tax Vs. Karachi Stock Exchange (G) Ltd.)** and submits that the proposed question (though in the context of Income Tax Ordinance, 1979, since repealed) has already been answered in favour of the Applicant Department and against the Respondents. On perusal of the said judgment, his contention appears to be correct. The proposed question in this ITRA is as under:-

“Whether on facts and circumstances of the case learned ITAT was justified in holding that the Karachi Stock Exchange (Guarantee) Limited is a charitable institution and thus exempt under Clause (59) of Part-I of the Second Schedule to the Income Tax Ordinance, 2001?”

It is not in dispute that clause (59) of Part-I of the 2nd Schedule to the Income Tax Ordinance, 2001, and clause (93) of the 2nd Schedule to the 1979 Ordinance, are *pari materia*; whereas, the order of Commissioner (Appeals) in this matter and that of the Tribunal is based on the orders of the same Respondent for earlier assessment years which now finally stands decided by this Court in the above judgment. Therefore, the proposed question is answered in **negative**, for the reasons so assigned by the Division Bench in the above judgment. This Reference Application is allowed, and the order of the Tribunal and that of the Commissioner (Appeals) is set-aside accordingly to this extent as above. Let Copy of this order be issued to the Tribunal as required under Section 133(5) of the 2001 Ordinance.

Judge

Judge