

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

ITRA 20 of 2021

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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- 1. For orders on office objection No.26
- 2. For orders on CMA No.190/2021
- 3. For hearing of main case

01.12.2025

Mr. Muhammad Aqeel Qureshi, advocate for the applicant

On the last date following order was passed :

"19.11.2025

Mr. Muhammad Aqeel Qureshi, advocate for the applicant.

The impugned order observes as follows:

“7. The above order of the learned CIR(A) reveals that he has concurred with the ACIR orders by relying on the circulars and case laws mentioned in the order. On the other hand learned counsel for the taxpayer has pleaded that in a number of cases decided by this Tribunal, on the issue in question, relief has been provided in parallel cases of the similar nature. Reference is made to the cases quoted hereunder:

- a) ITA N.289/kb/2014 M/s. Kayanat Cotton Ginners & Oil Mills Gupchani, Nawabshah, dated 03-10-2017.
- b) ITA No.288/KB/2014 M/s. Geo Hameer Faqeer Cotton Ginning Pressing & Oil Mills dated 25-6-2014.

8. The case laws quoted above have been examined and it has been observed that the issue in question has been thoroughly deliberated by the Hon'ble Tribunal. The common thread in all of the above orders can be summarized as under;

There was an agreement between Pakistan Cotton Ginners Association and FBR and by means of such agreement the income received against supply of cotton seed and oil cake was not subject to any further additional tax. As per law tax was charged at the rate of 1% on cotton lint and 1.5% on cotton seed oil. ibid agreement was strengthened vide SRO No.629(1)/94 dated 27-06-1994 and SRO No.586(1)/91 dated 30-6-1991 and the same has been lastly amended on 31-12-2010 and said SROs are still in field by virtue of sub-section (10) & (12) of section 239 of the Ordinance whereby any notification issued shall continue to remain enforce until modified, cancelled or repealed under this Ordinance. Fact is that the agreement in question and subsequent SROs have not been cancelled, repealed, revoked, rescinded but on the contrary same have been renewed by amending from time to time.

9. Legally speaking, since the issue in question has already been decided by this Tribunal consisting on Division Bench, it is not legally feasible for us to deviate from the findings of the double bench. In other words, the judgments of the double bench of this Tribunal are in field and this court has got no plausible reasons to deviate from the above quoted judgments. Therefore, placing reliance on the case laws quoted above, we accept the appeals of the taxpayer by cancelling orders of the authorities below. Consequently, the appeals filed by the taxpayer are allowed.”

Counsel may seek instructions. To come up on 01.12.2025.”

Today learned counsel remains unable to displace and / or distinguish the observation of the learned Tribunal yet again. Furthermore, it is noted that there is no suggestion before us that the rationale upon which the impugned judgment has been rested is contrary to the facts and / or law. Under such circumstances learned counsel for the applicant conveys his inability to demonstrate any question of law arising here from. In view hereof no case is made out to sustain this reference application and the same is hereby dismissed.

Before parting with this order it is observed that for more than six years this reference has clogged the docket when prima facie the same was without merit. Such proclivity is detrimental to revenue and prejudices the judicial process at the High Court level. Let a copy of this order be sent to the learned Attorney General of Pakistan, Secretary Revenue Division at Islamabad and Secretary Federal Board of Revenue at Islamabad for appropriate inter-departmental measures.

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

Amjad