

ORDER SHEET  
**IN THE HIGH COURT OF SINDH AT KARACHI**

Income Tax Reference Application No. 37 of 2022

DATE

ORDER WITH SIGNATURE OF JUDGE

1. For order on office objections.
2. For order on CMA No. 35/2022.
3. For hearing of main case.

**12.11.2025**

Mr. Faheem Raza Khuhro, , advocate for applicant.

Per learned counsel, the assessment order was passed on 03.12.2020 and appeal was filed there against before the Commissioner (Appeals) Inland Revenue, Karachi, which was subsequently withdrawn. Thereafter, rectification application was filed before the adjudicating officer, which was dismissed vide order dated 03.09.2021. Learned counsel submits that it is this order in the rectification application that was assailed in reference before the Appellate Tribunal and as a consequence thereof, the Appellate Tribunal has erroneously quashed the entire proceedings.

Learned counsel places tracking report to demonstrate that notice has been effected through courier. Learned counsel presses the following questions for determination:-

- i. Whether under the facts and circumstances of the case, the Learned ATIR was justified in cancelling and quashing the order of learned CIR (Appeals) as the same was passed in the light of Section 221 of the Income Tax Ordinance, 2001?
- ii. Whether on the facts & circumstances of the case, Learned ATIR was justified in cancelling and quashing the order of the assessing officer by treating it as unlawful and illegal while the same was passed within the legal frame work?

Learned counsel relies upon the judgment of the Supreme Court in the case of *Chaudhry Steel Furnace* reported as 2025 SCMR 1505, and states that in *mutatis mutandis* application of the binding ratio thereof, the questions may be decided in favour of the applicant department and against the respondent. 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. Office is instructed to place copy of this order in the connected file.

Judge

Judge