

ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI

ITRA 97 of 2026

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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- 1. For hearing of CMA No.862/2026.
- 2. For hearing of main case.
- 3. For hearing of CMA No.864/2026.

29.09.2026

Agha Shahid Majeed Khan, advocate for the applicant.
Mr. Shams Mohiuddin Ansari, advocate for the respondent.

Briefly stated, the Commissioner (Appeals).declined jurisdiction to entertain the appeal arising out of orders passed under sections 159 and 158 of the Income Tax Ordinance. This order was challenged before the learned Appellate Tribunal which proceeded to overturn the earlier order and inter alia restore the exemption claimed by the applicant.

Learned counsel for the applicant contends that no power was available to the learned Appellate Tribunal to exercise appellate powers per section 127 of the Income Tax Ordinance, 2001. He states that the correct legal recourse, if any, was per section 122B of the Income Tax Ordinance, 2001. Learned counsel for the respondent disputes the same and states that the revocation of exemption does not fall under the bar arising out of section 127 of the Income Tax Ordinance, 2001.

Irrespective of the aforesaid, the Commissioner (Appeals) had not rendered findings on merit and had declined jurisdiction. The Appellate Tribunal if convinced to the contrary, ought to have remanded the matter for adjudication on merit. Under such circumstances, it is jointly sought that the impugned judgment be set aside and matter be remanded back to the Appellate Tribunal for denovo adjudication in accordance with law. 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.

Judge

Judge