ORDER SHEET

IN THE HIGH COURT OF SINDH AT KARACHI

Income Tax Reference Application No. 171 of 2026

DATE	ORDER WITH SIGNATURE OF JUDGE(S)

Fresh case.

1. For orders on Office Objection No. 30.
2. For orders on CMA No. 1563/2026 (Ex)
3. For hearing of main case.

20.08.2026.

Mr. Raja Qasit Nawaz Khan, advocate files power on behalf of applicant, which is taken on record.

The primary issue raised before the court was that of section 111 of the Income Tax Ordinance, 2001. It was contended that the proceedings concluded without recourse to Section 111. The impugned order has dealt with the issue *inter alia* as follows:

> "14. However, the Court also considered the Explanation inserted in section 111 through the Finance Act, 2021, which clarifies that where a notice under section 122(9) has already been issued confronting the taxpayer with the proposed addition under section 111, issuance of a separate notice under section 111 shall not be necessary. The legislative intent behind the Explanation is to remove unnecessary duplication of notices and to ensure that the taxpayer is not confronted with multiple notices relating to the same issue which seemingly is superfluous.
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> 15. When the facts of the present case are examined in the light of the aforesaid principles it becomes evident that the appellant was specifically confronted through the show cause notice issued under section 122(9) which expressly invoked section 111 and required the appellant to explain the source of investment in the property and the payment of tax under section 236K. The notice clearly specified the proposed additions under section 111(1)(b) and 111(1)(c) of the Ordinance. Therefore, the essential requirement emphasized by the Honorable Supreme Court in the judgment reported as 2024 SCMR 700, inter alia, stands fully satisfied in the present case. The appellant cannot, therefore, derive any benefit from the plea that a separate notice under section 111 was not issued."

No effort was made to distinguish or displace the findings as aforesaid. In view hereof, no question appears to remain to be addressed by us, therefore, reference application is dismissed in *limine.*

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

Ayaz p.s.