

ORDER SHEET
IN THE HIGH COURT OF SINDH, KARACHI
Income Tax Reference Application No. 259 of 2000
Along with
I. T. A. No. 260 to 266, 333 to 342 & 803 of 2000
I. T. R. A. No. 16 to 18, 588 & 589 of 2006

Date

Order with signature of Judge

For hearing of main case.

05.08.2025.

Mr. Imran Ahmed holding brief for
Mr. Muhammad Yousuf, Advocate for Applicants
in ITA No. 259 to 266 & 803 of 2000, ITRA
No. 588 & 589 of 2006 and for Respondents
in ITA No. 333 to 342 of 2000.
Mr. Khalid Mehmood Siddiqui Advocate for Applicant
in ITRA No. 16 to 18 of 2006.
Mr. Faheem Ali Memon, Advocate for Respondent.

Mr. Faheem Ali Memon has filed Vakalatnama on behalf
of Respondent which is taken on record.

The Reference Applications No. 259 of 2000, 260 to 266
of 2000, 803 of 2000, 588, 589 of 2006 and 16 to 18 of 2006
have been filed by Civil Aviation Authority (CAA), whereas,
Reference Applications No. 333 to 339 of 2000 and 340 to 342
of 2000 have been filed by the Commissioner of Income Tax,
Karachi against orders dated 11.01.2000, 26.01.2000,
29.10.2005, 07.09.2005, 31.07.2006 in ITA No. 173/KB/1994-
95 and connected matters. CAA is a State Owned Enterprise in
terms of State Owned Enterprises (Governance and Operation)
Act, 2023 and pursuant to Section 134A of the Income Tax
Ordinance, 2001 a mechanism has been provided for State
Owned Enterprises ("SOE") to approach FBR in respect of
adverse orders passed by the Inland Revenue Department. The
most significant and the relevant amendment made, which in
our view is fully applicable to the present Applicant, is that now
it is ***mandatory*** for SOE to go for ADR, whereas the limit of Rs.
50 million is also not applicable. In the case of CAA reported as

Civil Aviation Authority v Federation of Pakistan (2024 PTD 1507), this Court has already directed CAA to approach the ADR Committee of FBR for resolution of dispute as it is a SOE under the law.

It further appears that the Honourable Supreme Court has referred the matters filed by the Commissioner Inland Revenue to the Dispute Resolution Committee through various orders passed in **Civil Petition No. 2106 of 2024 (Commissioner Inland Revenue, Corporate Zone, Regional Tax Officer, Islamabad v. M/s Islamabad Electric Supply Company Limited, (IESCO), Islamabad)**, Civil Appeals No. 649, 650, 651, 652 of 2022 (***M/s. State Life Insurance Corporation of Pakistan v. The Assistant Commissioner of Income Tax, Karachi & others***) and Civil Petition Nos. 886-K, 887-K and 888-K of 2023 (***M/s. Trading Corporation of Pakistan v. The Commissioner of Income Tax, Karachi***).

In view of such position, all these Reference Applications are disposed of, whereas, in terms of Section 134A of the Income Tax Ordinance, 2001, matter stands referred to FBR to form a Committee as required under the new amended provision and till such time the matter is finally decided by the said Committee, no coercive measures be adopted against the applicant for recovery. Once a decision has been given by the Committee, the applicant if aggrieved, may seek further remedy, if so available in accordance with law.

With these observations, all these Reference Applications are hereby disposed of. Office to place copy of this order in connected Reference Applications.

CHIEF JUSTICE

J U D G E

Arshad/