

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

ITRA 128 of 2020

DATE	ORDER WITH SIGNATURE OF JUDGE(S)
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1. For orders on office objection No.24
2. For orders on CMA No.165/2020
3. For hearing of main case

22.01.2026

Jam Zeeshan Ali, advocate for the applicant
Mr. Faheem Ali Memon, advocate for respondent

On 17.11.2025, following order was passed :

Learned counsel presses following questions of law for determination:

- A. Whether the discounts / rebates given by the applicant to persons other than petrol pumps operators are prizes under Section 156 of the Income Tax Ordinance, 2001?
- B. Whether the applicant was liable to deduct tax under Section 156 of the Income Tax Ordinance, 2001 on discounts / rebates given by it to persons other than petrol pump operators?

Learned counsel adverts to grounds No.vi., reproduced in the impugned order, which reads as follows:

“vi. CIRA has erred in confirming the DCIR’s action of treating Discount not shown on face of invoice as “Prize” although the same was determined at the time of sale, which is against the judgment of the Hon. Sindh High Court’s order.”

Learned counsel states that as far as adjudication is concerned, the same is rested entirely on reproduction of arguments etc and the conclusion in paragraph 12 of the impugned order reads as follows:

“12. Second ground of the taxpayer’s appeal relates to Discounts Off invoices allowed to other then petrol pump operators and Discounts Off Invoices allowed to petrol pump operators, in this context it has come on record that the Tribunal already decided this issue in cross appeals bearing ITA No.87/KB/2015 and ITA No.993/KB/2015 (Shell Pakistan Limited) vide order dated May 2, 2018. Precisely learned Bench in the above order held that the amount on account of discount allowed to persons other than petrol pump operators on which no deduction has been made falls squarely within the precinct of Section 161 of the Ordinance entailing deduction of ta at the rate of 20 percent.”

Learned counsel states that there is no independent discussion or deliberation in the impugned order on the issue and the matter appears to have been decided on the basis of some other appeal without demonstrating any nexus with the issue herein. Learned counsel states that same is not befitting the last fact-finding forum in the statutory hierarchy.

Admit reference application, issue notice to the respondents through first two modes as well as courier. Learned counsel to place tracking report of courier on record. To come up after two weeks”

Today learned counsel for respondent is present and states that to the extent pointed out in order as aforesaid the impugned judgment may be set aside and the said issue be remanded back to the learned Tribunal for adjudication afresh 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

Amjad