ORDER SHEET

IN THE HIGH COURT OF SINDH AT KARACHI

ITRA 125 of 2026

DATE	ORDER WITH SIGNATURE OF JUDGE(S)

1. For hearing of CMA No.1073/2026.
2. For hearing of main case.

15.07.2026

Mr. Shaneel Memon, advocate the applicant.

Mr. Faheem Ali Memon, advocate files Vakalatnama on behalf of respondent, same is taken on record.

This reference was first listed for hearing on 14.05.2026 when it was observed that the order impugned is merely that of remand. Since no final order was passed and no harm / detriment to the applicant could be demonstrated, the learned counsel was given time to seek instructions.

The reference impugns the order dated 17.03.2026, the operative part reads as follows:

> "19. In the circumstances, while respectfully taking guidance from the observations of the Hon'ble Sindh High Court in the above referred judgment, it would be appropriate to remand the matter to the officer concerned for decision afresh strictly in accordance with law and in the light of the principles upheld by the Hon'ble High Court in ITRA No. 590 of 2024 (supra), after providing due opportunity of hearing to the appellant. It may also be observed that the judgments relied upon by the department are distinguishable and do not appear to be attracted to the peculiar facts and circumstances of the present case especially when in instant SCN was issued in year 2024, when power to conduct inquiries was omitted vide Finance Act, 2021. Accordingly, the impugned order is set aside to the extent discussed above and the matter is remanded to the ACIR for reconsideration and fresh in accordance with law.
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> 20. Before parting with the matter, it is also observed that the appellant, during the course of arguments before this forum, both verbal as well as through written submissions, has raised various objections on merits as well. A perusal of the impugned order suggests that such objections have not been properly examined and appraised. Accordingly, while re-examining the issue relating to the scope and applicability of section 122(5A) vis-a-vis the instant proceedings, the officer concerned shall also examine and adjudicate the issues raised on merits, if so required, in accordance with law.
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> 21. The appellant shall be at liberty to raise all legal as well as factual objections before the officer concerned and the same shall be duly considered and decided through a reasoned and speaking order, strictly in accordance with law and after providing adequate opportunity of being heard to the appellant"

The matter was listed for hearing today and the applicant remained unable to dispel the observations recorded vide order dated 14.05.2026. *Prima* facie it is a simple remand order and no finding adverse finding, with regard to either party, has been demonstrated before the Court.

As a general principle, a reference application against a remand order is seldom entertained; unless it can be demonstrated that a manifest prejudice is being caused to the position of either party[1]. No such apprehension has been articulated herein. Earlier Division bench judgments have consistently deprecated the tendency to mechanically assail remand orders; as recently reiterated by this Court in *Philip Morris*[2].

Since no question of law has been articulated before us coupled with binding nature of the authority cited supra, therefore, this reference is found to be misconceived, hence, dismissed.

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

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[1] *ITRA 345 & 346 of 2016,* order dated *09.12.2019;* Reliance was placed upon Commissioner of Income Tax, Central Zone 'B', Karachi vs. Electronic Industries Ltd., Karachi [1988 PTD 111]; The Commissioner of Income Tax West Zone, Karachi and another vs. Khairpur Textile Mills Ltd. and others [1989 PTD 500]: and E.M. Oils Mills and Industries Ltd. through Director vs. Commissioner of Income Tax, Audit Division II, Companies III, Karachi [2011 PTD 2708].

[2] Per *Muhammad Osman Ali Hadi* in *Philip Morris vs. CIR* (*SFERA 39 of 2022*); judgment dated 24.11.2025.