IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITR No. 6 of 1996 (O&M)

Date of Decision: 11.05.2016

The Commissioner of Income-tax (Central), Ludhiana
.......Appellant

Versus

Shri Satya Nand
......Respondent

CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL
HON'BLE MR. JUSTICE HARINDER SINGH SIDHU

Present: Mr. Zora Singh Klar, Advocate
for the appellant.

Mr. Alok Mittal, Advocate
for the respondent.

RAJESH BINDAL,J.

This reference has been filed in RA No.303/Chandi/1995 arising out of I.T.A. No.648/Chandi/1990, for the assessment year 1984-85, raising the following substantial question of law:

> Whether, on the facts and in the circumstances of the case, the ITAT was right in law in holding that even after the assessment made in the hands of the trustees as per provisions of Section 160/161 read with Section 166 of the Income-tax Act, loss determined in the hands of the trust should be allocated and adjusted in the hands of the beneficiaries?

Learned counsel for the appellant-revenue submitted that in view of circular No.21/2015 dated 10.12.2015 read with circular No.279/Misc/M-142/2007-ITJ (Part) dated 8.3.2016, issued by Central Board of Direct Taxes, he does not wish to press the present reference as the tax effect involved is less than ₹ 20 lacs. However, he prays that liberty be granted to the revenue to file an application for revival of the reference in case something survives therein.

Dismissed as not pressed with liberty as prayed for. It is however, clarified that withdrawal of the reference by the revenue shall not be taken as affirmation of order of the Tribunal on merits. The legal issue as claimed by the revenue is left open to be adjudicated in an appropriate case.

(RAJESH BINDAL)
JUDGE

(HARINDER SINGH SIDHU)
JUDGE

11.05.2016
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