IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA No. 522 of 2005 (O&M)

Date of Decision: 29.03.2016

Commissioner of Income Tax-I, Ludhiana

.......Appellant

Versus

M/s A.G.G. Exports Pvt. Ltd.

......Respondent

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

Present: Mr. Rajesh Katoch, Advocate
for the appellant.

RAJESH BINDAL,J.

This appeal has been filed under Section 260 A of the Income Tax Act, 1961 (for short 'the Act'), against the order dated 9.5.2005 passed by the Income Tax Appellate Tribunal, Chandigarh Bench (B), in ITA No.457/2002, for the assessment year 1995-96, raising the following substantial question of law:

> (i) Whether on the facts and circumstances of the case, the Hon'ble Income Tax Appellate Tribunal was justified to set aside the order of the Assessing Officer by holding that the initiation of the proceedings u/s 147 of the I.T. Act, was invalid, without appreciating the provisions of explanation 2 to section 147 of the IT Act?

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 appeal, 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 appeal in case something survives therein.

Dismissed as not pressed with liberty as prayed for. It is however, clarified that withdrawal of the appeal 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

29.03.2016
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