IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA No. 330 of 2008 (O&M)

Date of Decision: 29.03.2016

Commissioner of Income Tax-I, Ludhiana

.......Appellant

Versus

Vardhman Holdings 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 31.7.2007 passed by the Income Tax Appellate Tribunal, Chandigarh Bench (A), in ITA No.656/Chandi/2006, for the assessment year 1994-95, raising the following substantial questions of law:

> (i) Whether on the facts and in law, the Hon'ble Income Tax Appellate Tribunal was justified in treating the re-opening of assessment u/s 147/148 as invalid inspite of the fact that the notice u/s 148 was issued with the prior approval of the CIT, which is according to Section 149(1)(a)(ii) of I.T. Act?
>
> (ii) Whether on the facts and in law, the Hon'ble Income Tax Appellate Tribunal was justified in holding that the A.O. was not justified in declining the claim of the assessee for depreciation @ 100%

> on EYCs inspite of the fact that each EYC machine worked together with spindle and forms part of plant and machinery?

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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