IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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ITA-223-2019 (O&M)
Decided on : 05.08.2024

Pr. Commissioner of Income Tax-2, Chandigarh

. . . Appellant(s)

Versus

Shri Parminder Singh

. . . Respondent(s)

CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MR. JUSTICE SANJAY VASHISTH

PRESENT: Ms. Priyanka, Advocate for
Mr. Vaibhav Gupta, Sr. Standing Counsel
for the appellant(s).

Mr. S.A. Khemka, Advocate
for the respondent(s) – assessee (**appearing through V.C.**)

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SANJEEV PRAKASH SHARMA, J. (Oral)

1. This Court finds that the appellant – revenue has challenged the order dated 20.11.2018, passed by the ITAT and in terms of the said order, the CIT (Appeals)-2, Chandigarh, allowed the appeal of the respondent – assessee vide order dated 18.12.2018. The relevant extract of order dated 18.12.2018, is as under:-

> *"7.2 During the course of appellate proceedings, the Ld. AR has filed order of the Hon'ble ITATs order ITA No.525/CHD/2017 Dt. 20/11/2018, passed in their case. The observation/decision of the Hon'ble ITAT is reproduced below:-*
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> > *"Considering the meager amount of expenditure incurred on the 'Langar' by the assessee and the*

above submission of the Ld. Counsel for the assessee, we do not find it a fit case for exercising of revision jurisdiction by the Ld. PCIT as it cannot be said in strict term that the motive of the expenditure was not for getting growth of the business. In view of this, the impugned order of the Ld. PCIT is set aside and the appeal of the assessee."

7.3 The addition of Rs.3,98,246/- in this case was made by the AO in pursuance to the order u/s 263 of the Pr. CIT-2, Chandigarh. Aggrieved by the said order of Pr. CIT-2, Chandigarh, the assessee approached the ITAT. Hon'ble ITAT vide its order in ITA No.525/CHD/2017, Dt. 20/11/2018 has set aside the order of the Pr. CIT-2, Chandigarh and has allowed the appeal of the assessee.

Since the order of the Pr. CIT-2, Chandigarh on the basis of which the additions u/s 143(3) r.w.s. 263 to the tune of Rs.3,98,246/- had been made, has been deleted by the Hon'ble ITAT Bench, Chandigarh, the additions made in the subsequent order of the AO also do not survive. This ground of appeal is allowed.

8. In the result appeal is allowed."

2. Taking into consideration the short addition of Rs.3,98,246/-, we are satisfied that the tax effect is at lower side and in terms of the Circular No.5/2024, dated 13th March, 2024, issued by the GOI, Ministry of

Finance, Department of Revenue, Central Board of Direct Taxes, where the tax effect less than the monetary limit of Rs.1,00,00,000/- is liable to be only adjudicated before ITAT, thus, thereafter the present appeal would be rendered as not pressed.

We, accordingly, dismissed this appeal as not pressed.

Misc. application(s), if any, also stands disposed of.

(SANJEEV PRAKASH SHARMA)
JUDGE

(SANJAY VASHISTH)
JUDGE

August 05, 2024
J.Ram

Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No