Pr. Commissioner of Income Tax, Central-I, Mumbai v. Raj Enterprises

Income Tax Appeal No. 213 of 2024

Income Tax Appeal No. 213 of 2024 (Bom HC, decided 11.06.2026) | 2026-06-11

Revenue appeal against de novo remand dismissed; both parties' merits contentions preserved before CIT(A).

Income-tax Act,1961: sections 260A

High Court of Judicature at Bombay | 2-judge bench (Division Bench) | G.S. Kulkarni, J. | Aarti Sathe, J.

Assessment years: 2016-17

01 FACTS OF THE CASE

For AY 2016-17, Revenue challenged the ITAT order dated 23 May 2023 under section 260A. The Tribunal had remanded the matter to CIT(A) for de novo consideration after a reasonable hearing, directing consideration of its decision for AY 2011-12.

Source: PDF p.1, para 1

02 DISCUSSION BY THE HON'BLE COURT

The Court noted that the CIT(A) order for AY 2016-17 was ex parte. The Tribunal had merely restored the matter for fresh consideration, so the Court found no fault warranting interference and no substantial question of law.

Source: PDF p.2, paras 2–3

03 JUDICIAL DECISION

Revenue's appeal was dismissed without costs. All merits contentions of both Revenue and the assessee were expressly kept open for the de novo proceedings before CIT(A).

Source: PDF p.2, paras 4–5

04 OUTCOME / IN WHOSE FAVOUR

The remand survived. Raj Enterprises obtained the opportunity of a fresh appellate hearing; neither party's substantive tax case was decided by this order.

Source: PDF p.2, paras 2–5

05 EXPERT COMMENTS

AKHB Expert Comments — editorial analysis, distinct from the Court's findings.

A successful defence of remand is not deletion of the addition: The High Court found no substantial question in the Tribunal's decision to restore an ex parte appeal for fresh consideration. That procedural result benefits the assessee's opportunity to be heard but leaves the underlying controversy alive. Paragraph 4 expressly preserves Revenue's contentions as well as the assessee's. (PDF p.2, paras 2–5)

The other assessment year is a consideration, not a dictated result: The Tribunal directed CIT(A) to consider its AY 2011-12 decision when deciding AY 2016-17. The High Court's description does not require an automatic identical outcome across the years. The earlier decision and the relevant year's evidence therefore remain material to the fresh hearing without displacing CIT(A)'s task of deciding the appeal. (PDF p.1, para 1)

Use the restored hearing to address the actual merits: The effective next stage was the de novo CIT(A) proceeding with a reasonable hearing. The parties could advance their preserved contentions there; the dismissal of Revenue's High Court appeal did not resolve those contentions. This distinction prevents the no-substantial-question conclusion concerning remand from being overstated as approval of a deduction or exemption. (PDF pp.1–2, paras 1–5)

Source: PDF p.2, paras2–5

SOURCE & VERIFICATION

Original judgment PDF (20260611_HCBM020352362023.pdf)

Complete 2-page original read and every page visually reviewed; source bytes verified. Commentary is editorial analysis of this order, not current-law clearance.

Full original and all five note panels re-reviewed on 21 October 2026; unsupported supplied assertions removed.

Open cited source rendition

Complete original source and all five note panels checked; original docket identities preserved.

STATUTORY SCOPE

Only provisions expressly stated in this order are indexed. Subsequent treatment and current law have not been independently verified.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current judicial treatment have not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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