IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO. 178 OF 2013

Commissioner of Income Tax-6 ..Appellant

Vs.

M/s Churu Trading Co. Pvt. Ltd. ..Respondent

....

Mr. A.R. Malhotra a/w Mr. N.A. Kazi, Advocates for Appellant.
None for Respondent.

....

CORAM : M.S. SANKLECHA &
G.S. KULKARNI, JJ.
DATED : 27th JANUARY 2015

P.C.:

1. This appeal by the Revenue under Section 260A of the Income Tax Act (the 'Act') challenges the order dated 31st May 2012 passed by the Income Tax Appellate Tribunal (the 'Tribunal'). The assessment year involved is A.Y. 2006-07.

2. The Revenue has framed the following question of law for our consideration:

> *"Whether, on the facts and in the circumstances of the case and in law, the Tribunal was justified in directing the Assessing Officer to recompute the disallowance u/s 14A on a reasonable basis and not under Rule 8D, relying on the judgment of Hon'ble Bombay High Court in the case of Godrej and Boyce Mfg. Co. Ltd., (2010) 328 ITR 81, without appreciating the fact that the above judgment of*

Hon'ble Bombay High Court has not been accepted by the Revenue and SLP has been filed against it?"

3. We find that the impugned order of the Tribunal while dealing with the issue of deduction under Section 14A of the Act while restoring it to the Assessing Officer has merely followed the decision of this Court in ***Godrej and Boyce Mfg. Co. Ltd. Vs. DCIT and Ors. (2010) 328 ITR 81.*** This Court in Gordrej and Boyce Mfg. Co. Ltd. (supra) held that the Rule 8D of the Income Tax Rules 1962 would be applicable from the Assessment Year 2008-09 onward and for the years prior thereto the disallowance would have to be made on reasonable basis. In view of the above, we find that as the impugned order has merely followed order of this Court in Godrej and Boyce Mfg. Co. Ltd.(supra) and directed the Assessing Officer to apply the same. Hence no substantial question of law arises for our consideration.

4. Accordingly, the **appeal** is **dismissed.** No order as to costs.

[G.S. KULKARNI, J] **[M.S. SANKLECHA, J.]**

S.S.DESHPANDE