IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA No. 74 of 2015 (O&M)
Date of Decision: - 11.4.2016

Commissioner of Income Tax-II, Ludhiana ....Appellant.

vs.

M/s Hero Cycles Ltd. .....Respondent.

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

Present: - Mr. Zora Singh Klar, Advocate for the appellant.

Mr. Alok Mittal, Advocate for the respondent.

Rajesh Bindal, J.

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The present appeal has been filed under Section 260A of the Income Tax Act, 1961 (for short 'the Act') against the order of Income Tax Appellate Tribunal, Chandigarh Bench 'B' passed on 24.11.2011 in ITA No. 467/Chd/2009 for the assessment year 2006-2007 raising the following substantial questions of law: -

> "Whether on facts and in law, the Hon'ble ITAT was right in dismissing the appeal of the department against deletion of disallowance of Rs. 2,78,97,243/- made by the A.O. under Section 14A of the I.T. Act, 1961?"
>
> "Whether the Hon'ble ITAT was justified in deleting the disallowance failing to appreciate that the assessee was keeping all its funds in a common pool and utilizes out of the same pool for earning taxable as well as exempted income?"

Learned counsel for revenue fairly submitted that the issues raised in the present appeal are squarely covered against the revenue vide order of this Court dated 4.11.2009 passed in **ITA No. 331 of 2009** ***(CIT-II vs. M/s Hero Cycles Limited)*** for the assessment year 2004-2005.

For the detailed reasons recorded in **ITA No. 331 of 2009**, no substantial question of law arises for consideration in the present appeal.

Dismissed.

(RAJESH BINDAL)
JUDGE

11.4.2016
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(HARINDER SINGH SIDHU)
JUDGE