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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 630/2016 & CM No. 30464-30465/2016

COMMISSIONER OF INCOME TAX-VI ..... Appellant

Through: Mr. Ruchir Bhatia, Sr. Standing Counsel along with Mr. Puneet Rai, Jr. Standing Counsel.

versus

ZAURI INVESTMENT LTD. ..... Respondent

Through: Mr. Piyush Kaushik, Advocate.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MS. JUSTICE DEEPA SHARMA

O R D E R

% **18.10.2016**

The revenue claims to be aggrieved by the order of the ITAT which upheld the assessee's contention with respect to the disallowance under Section 14(A) of the Income Tax Act. At the outset, it is pointed out that for another assessment year i.e. AY 2000-2001 and 2006-2007; the court had rejected the revision appeal ITA 347/2016 by its order dated 27.05.2016. In the said appeal, the court observed as follows:-

> *4. The tax effect for this particular appeal of the Revenue arising from the order dated 15th January 2013 of the Income Tax Appellate Tribunal (ITAT) for assessment year ('AY') 2000-01 is less than Rs. 20 lakhs. Nevertheless, considering the impugned order of the ITAT is common to AYs 2006-07 and 2007-08 as well, the appeal has also been examined on merits.*

5. The question sought to be urged is whether the ITAT was justified in relying on the judgment of this Court in ***Maxopp Investment Ltd. vs. CIT (2012) 347 ITR 272 (Del)*** *to hold that the Assessing Officer ('AO') is required to record reasons why he was not accepting the expenditure as calculated by the Assessee for the purpose of Section 14A of the Income Tax Act, 1961 ('Act')?*

6. The Court does not propose to re-visit the decision of the co-ordinate Bench in ***Maxopp Investment Ltd.*** *(supra). The ITAT cannot be faulted for following the said decision. Indeed, in the present case the AO has not recorded the reasons for concluding that the expenditure as claimed by the Assessee for the purposes of Section 14A of the Act is not acceptable.*

It is also pointed out that in another appeal i.e. ITA No. 351/2016 decided on 30.05.2016, again in the assessee's case, the revenue's contentions were rejected.

Following the decisions of this court in the previous cases (ITA nos. 347/2016 and 351/2016), the present appeal is accordingly dismissed.

S. RAVINDRA BHAT, J

DEEPA SHARMA, J

OCTOBER 18, 2016

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