**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**ITA No. 91 of 2016 (O&M)
Decided on : 02.02.2017**

Pr. Commissioner of Income Tax, Jalandhar-I, Jalandhar.

. . . Appellant

Versus

M/s Max India Ltd.

. . . Respondent

**CORAM: HON'BLE MR. JUSTICE AJAY KUMAR MITTAL
HON'BLE MR. JUSTICE RAMENDRA JAIN**

PRESENT: Mr. Vivek Sethi, Advocate
for the appellant.

Mr. Gaurav Jain, Advocate
for the respondent.

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AJAY KUMAR MITTAL, J. (Oral)

The revenue by way of present appeal filed under Section 260A of the Income Tax Act, 1961 (in short 'the Act'), assailed the order dated 27th October, 2015, passed passed by the Income Tax Appellate Tribunal, Amritsar Bench, Amritsar (hereinafter referred to as 'the Tribunal'), in ITA No.760(ASR)/2013, for the assessment year 2003-04, claiming the following substantial questions of law:-

> *"(i) Whether on the facts and in the circumstances of the case, the Hon'ble ITAT is right in law in upholding the order of the Ld. CIT(A) deleting the penalty levied u/s 271(1)(c) of the Income Tax Act, 1961 for furnishing of inaccurate particulars of its income by making wrong claim of inadmissible legal and professional expenses.*
>
> *(ii) Whether the Hon'ble ITAT has erred in law in not appreciating that the assessee failed to discharge its*

> *onus to prove that the payment made to its foreign subsidiary Max UK on account of legal and professional expenses was in relation to the services actually rendered wholly and exclusively for the business purposes, as required under the provisions of section 37 of the Income Tax Act, 1961 ?"*

2. At the outset, learned counsel for the respondent-assessee submitted that the quantum appeal i.e. ITA No.188 of 2013, for the Assessment Year 2003-04 was dismissed on 06th September, 2016. In view thereof, it was submitted that so far as question No.(ii) is concerned, the same would not arise. It was further pointed out that since the quantum appeal has been decided in favour of the assessee, equally, question No.(ii) has to be decided against the revenue.

3. In view of the above, the present appeal stands dismissed.

(AJAY KUMAR MITTAL)
JUDGE

(RAMENDRA JAIN)
JUDGE

February 02, 2017
J.Ram

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