$~4

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

\+ ITA 197/2017 & CM No. 9070/2017

THE PR. COMMISSIONER OF INCOME TAX – 12 ..... Appellant
Through: Mr. Ruchir Bhatia, Adv.

versus

SURESH VERMA .... Respondent
Through: Mr. Sanat Kapoor, Adv.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE NAJMI WAZIRI

O R D E R

% 29.03.2017

The Revenue is in appeal against the order of the ITAT which had cancelled the disallowance under Section 14A of the Income Tax Act, 1961 made in the course of the search based assessment for AY 2010-11. The ITAT reasoned that disallowance – in excess of Rs. 69 lacs, was unwarranted because there was no tax imposition income in the given year; in doing so the ITAT followed our previous decision in ***Cheminvest Ltd. vs Commissioner of Income Tax [2015] 378 ITR 33 (Delhi)***.

Therefore, since the ITAT followed the ruling of this Court, and there was no tax imposition income, there could not have been any disallowance under Section 14A of the Act. Its decision, therefore, is sound and does not call for any interference.

No substantial question of law arises. The appeal is dismissed.

S. RAVINDRA BHAT, J

NAJMI WAZIRI, J

MARCH 29, 2017/kk