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

INCOME TAX APPEAL NO. 424 OF 2006

The Commissioner of Income Tax-8
Mumbai .. Appellant

v/s.

M/s. Associated Cables Ltd. ..Respondent

Mr. Suresh Kumar for the appellant
Ms. Aarti Sathe for the respondent

CORAM : M.S. SANKLECHA &
SANDEEP K. SHINDE, J.J.

DATED : 22nd JUNE, 2018.

P.C.

1. This appeal under Section 260A of the Income Tax Act,1961 (the Act) was admitted on the following substantial question of law :-

> *"Whether the assessee following mercantile system of accounting entitled to reduce 5% to 10% of their sales turnover being retention money retained by their customers?"*

2. It is an agreed position between the parties that the issue arising herein stands concluded in favour of the respondent assessee and against the appellant Revenue by a decision of this Court in the respondent assessee's own case being ***Commissioner of Income Tax Vs.***

Associate Cables Pvt. Ltd. 286 ITR 596 and an unreported decision in ***Commissioner of Income Tax Vs. Associated Cables Pvt. Ltd.*** (Income Tax Appeal No.888 of 2007) rendered on 27th August, 2008.

3. In the above view, the substantial question of law is answered in the affirmative i.e. in favour of the respondent assessee and against the appellant Revenue.

4. The appeal is dismissed. No order as to costs.

(SANDEEP K. SHINDE J.) **(M.S. SANKLECHA, J.)**