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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA No.460 of 2006 (O&M)
Date of Decision: 07.08.2018

Commissioner of Income Tax, Ludhiana-II

...... Appellant

Versus

M/s Avery Cycles Limited

.... Respondent

CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL
HON'BLE MR. JUSTICE AMIT RAWAL

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

RAJESH BINDAL J.

The revenue is in appeal against the order dated 30.05.2005 passed by the Income Tax Appellate Tribunal 'B', Bench Chandigarh in ITA No.556/Chandi/2000 for the assessment year 1997-98. The same was admitted on 24.03.2017 for determination of following substantial questions of law:-

i) Whether on the facts and in law, the ITAT was legally correct in holding that the interest income of ₹19,53,855/- was to be included in business income of the respondent for the purpose of computation of deductions u/s 80HHC of the I.T. Act?

ii) Whether on the facts and in law, the ITAT was legally correct in holding that the Exchange rate fluctuations and insurance claim will not form part of total turnover while computing deductions u/s 80 HHC?

iii) Whether on the facts and in law, the Tribunal was right in deleting the disallowance of ₹ 75,600/- relating to interest-free advance when there was nexus between the borrowing and funds advanced by the assessee due to payments to sister concern/Directors from the interest bearing CC Account without charge of any interest?

Learned counsel for the revenue did not dispute the fact that the amount of tax involved in the present appeal on the issues for consideration for which the appeal was admitted is less than ₹ 50,00,000/- and in view of the circular issued on 11.07.2018 by the Government of India, Ministry of Finance, Department of Revenue, Central Board Direct Taxes, the present appeal may be dismissed as not pressed.

Ordered accordingly.

(RAJESH BINDAL)
JUDGE

(AMIT RAWAL)
JUDGE

07.08.2018
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Whether speaking/reasoned: Yes/No
Whether reportable: Yes/No