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

\+ ITA 584/2018

THE PR. COMMISSIONER OF INCOME TAX -18 ..... Appellant

Through Mr. Puneet Rai, Adv.

versus

SANDEEP CHONA ..... Respondent

Through Mr. Sandeep Sapra and Mr. Manu K. Giri, Advs.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE A. K. CHAWLA

ORDER

% **15.05.2018**

The question sought to be urged is with respect to the relief given by the Income Tax Appellate Tribunal (ITAT) in regard to the claim for cessation of trading liability under Section 41(1) of the Income Tax Act ('the Act').

The assessee at the relevant time derived income from house property and had filed his returns which were taken up for scrutiny. The Assessing Officer (AO) determined the total income by adding ₹1,24,46,249/- under Section 41(1) of the Act. The ITAT noted that the assessee had received the amounts towards consideration for sale of an immovable property which did not materialize. In other words, the assessee was not the vendor but was the facilitator for purchase of land in respect of transaction, which never matured. In these circumstances, the claim under Section 41(1) of the Act was allowed by the ITAT.

Having considered the submissions of the Revenue as well as the material on record, this court is of the opinion that the findings are essentially on facts. No substantial question of law arises. The appeal is dismissed.

S. RAVINDRA BHAT, J

A. K. CHAWLA, J

MAY 15, 2018
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