

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

**INCOME TAX APPEAL NO.264 OF 2017
WITH
INCOME TAX APPEAL NO.1460 OF 2017**

Principal Commissioner of
Income-Tax-4

.... Appellant

versus

Smt. Vimla S. Jajoo

... Respondent

.....

- Mr.Suresh Kumar, Advocate for Appellant.
- Mr.Madhur Agrawal i/b. Mint & Confreres, Advocate for Respondent.

**CORAM : AKIL KURESHI &
SARANG V. KOTWAL, JJ.**
DATE : 09th APRIL, 2019.

P.C. :

1. These Appeals, arising out of the common background, are heard and would be disposed of by this common judgment. For convenience we may record facts from Income Tax Appeal No.264/17.

2. These Appeals filed by the Revenue to challenge the judgment of Income Tax Appellate Tribunal, relate to assessment year 2008-2009. Following question is presented for our consideration;

“Whether on the facts and in the circumstances of the case and in law, the Hon'ble ITAT erred in deleting the disallowance made by the A.O. of STCG amounting to Rs.11,16,91,229/- as Business Income?”

3. It is undisputed position that similar issue came up for our consideration in Income Tax Appeal No.338/17. The Revenue's Appeal was dismissed by an order dated 15/03/2019 making following observations;

“2. The Respondent Assessee is an individual. The issue raises out of her return of income for the year 2006-07. She had offered the gain of Rs.5.60 Crores (rounded off) upon sale of shares as short term capital gain. The Assessing Officer however held that the same would give rise to her business income. CIT (Appeal) and tribunal held in favour of the assessee mainly on the ground that

in the earlier assessment years the assessee had consistently shown the receipts of sale of share as capital gain which the revenue had also accepted.

3. *We do not find any error in view of tribunal. The tribunal had noted that in the earlier years the assessee had suffered loss. Therefore in the current year if the income was to be treated as business income, capital loss of the earlier year would not be assessable against such income. It appears that the Assessing Officer desired to tax income as business income in the current year, in view of the change in tax rates, between short term capital gain and business income, which in the earlier years was same.*

4. *In such circumstances, no question of law arises, the Appeal is dismissed.”*

4. In the result, no question of law arises. Income Tax Appeals are dismissed.

(SARANG V. KOTWAL, J.)

(AKIL KURESHI, J.)