IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CM-5992-CII-2019 in/and
ITA-202-2017(O&M)
Date of decision: 28.03.2019

Pr. Commissioner of Income Tax-I, Ludhiana

… Appellant

Versus

M/s Abhishek Industries Ltd.

… Respondent

CORAM: HON'BLE MR. JUSTICE KRISHNA MURARI, CHIEF JUSTICE
HON'BLE MR. JUSTICE ARUN PALLI, JUDGE

Present: Mr. Rajesh Katoch, Advocate, for the appellant.
Ms. Radhika Suri, Senior Advocate, with
Mr. M.S. Kanda, Advocate, for the respondent.
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KRISHNA MURARI, C.J. (Oral)

This appeal by the revenue raises the following question of law:

"Whether on fact and circumstances of the case and in law the Hon'ble ITAT is correct in confirming the order of CIT(A) in restricting the addition of Rs. 1,12,26,829/- made under Section 14A of the Income Tax Act to Rs.50,000/- holding that the provisions of Rule 8D are not applicable for A.Y. 2006-07 while the A.O. had restored to calculating the disallowance under Section 14A which as on date was the most reasonable and scientific method also approved by the legislature for making such disallowance?."

Parties are not at issue that the question of law regarding the retrospective applicability of Rule 8D to assessment year 2008-06 has been the subject matter of the Hon'ble Supreme Court in the case tilted **<u>Commissioner of Income Tax 5 Mumbai</u>** v. **<u>Essar Teleholdings Ltd.</u>**, **(2018) 3 SCC 253**, and the question of law has been answered in favour of the assessee. The question of law raised in this appeal is squarely covered by the said judgment.

The appeal accordingly stands disposed of in terms of the aforesaid judgment of Hon'ble the Supreme Court.

(Krishna Murari)
Chief Justice

(Arun Palli)
Judge

28.03.2019
Rajan

Whether speaking / reasoned:	YES
Whether Reportable:	NO