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

\+ ITA 60/2019

CHIEF COMMISSIONER OF INCOME TAX-7 (OSD)

..... Appellant

Through: Mr. Sanjay Kumar, Mr. Asheesh Jain, Advs.

versus

PILLAZIO HOTELS & RESORTS (P) LTD.,

..... Respondent

Through

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE PRATEEK JALAN

<u>O R D E R</u>

% **25.01.2019**

The Revenue's appeal under Section 260A is on the issue of capitalization of interest on loans. The assessee declared loss to the tune of ₹6,47,86,042/- for AY 2012-13. The AO noticed that the assessee claimed that the hotel business started on 18.10.2011 and according to him, the business had not become operational since capital work was still in progress. Consequently, he wished to treat the entire amount of interest towards capital. The disallowance on that account was to the tune of ₹2,40,68,091/- which the AO, directed to be shown in the capital side. The CIT (A) and ITAT both allowed the assessee's appeal after noticing that even though the work was in progress and had not been completed, the assessee had in fact commenced business to the extent, their resort was ready on 18.10.2011.

The Court is of the opinion that given the concurrent finding of facts of the lower appellate authorities, independent evaluation of the facts and circumstances by this Court is not warranted. No substantial question of law arises.

The appeal is dismissed.

S. RAVINDRA BHAT, J

PRATEEK JALAN, J

JANUARY 25, 2019/akv