

**IN THE HIGH COURT OF BOMBAY AT GOA****TAX APPEAL NO. 34 OF 2012**

The Commissioner of Income Tax, having  
office at Aayakar Bhavan, Patto Plaza, Panaji,  
Goa.

.... Appellant

Versus

Zuari Industries Ltd., having office at  
Jaikisan Bhawan, Zuarinagar, Goa 403 726.

.... Respondent

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Ms. Amira Razaq, Standing Counsel for the Appellant.

Mr. Parikshit Sawant, Advocate for the Respondent.

**Coram:- M.S. SONAK &  
C.V. BHADANG, JJ.**

**RESERVED ON: 22<sup>nd</sup> November, 2019**

**PRONOUNCED ON: 2<sup>nd</sup> January, 2020**

(Signed judgment is pronounced by M.S. Sonak, J. as per clause (i) of  
Rule 1 of Chapter XI of Bombay High Court Appellate Side Rules as C.V.  
Bhadang, J. is sitting at Mumbai.)

**JUDGMENT: (Per C.V. Bhadang, J.)**

On 18<sup>th</sup> April, 2012 this Appeal was Admitted on the  
following substantial question of law:

*(I) Whether on the facts and in the  
circumstances of the case, the ITAT was  
justified in holding that amount of  
Rs.88,63,750/- paid to Texmaco, as  
deferred revenue expenditure allowing the*

*payment to be amortized for period of eight years ?*

2. Similar question arose in a connected Appeal being TXA NO. 51/2008. The parties agree that the decision in TXA No. 51/2008 shall govern the issue in the present Appeal also. In TXA 51/2008, which is disposed by a judgment of even date, we have answered the point no. (I) against the appellant and in favour of the assessee, while point no. (II) has been answered in favour of the appellant and against the assessee. The said decision would govern the present Appeal also.

3. For the reasons mentioned in the judgment in TXA No. 51/2008, we pass the following order:

The Appeal is partly allowed. The impugned order passed by the ITAT to the extent of issue no. (II) above, is hereby set aside. The order passed by the AO on the aforesaid issue, as confirmed by the CIT (Appeals) is hereby restored. In the circumstances, there shall be no order as to costs.

**C. V. BHADANG, J.**

**M. S. SONAK, J**

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