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

\+ ITA 220/2020

REC LIMITED (FORMERLY KNOWN AS RURAL ELECTRIFICATION CORPORATION LIMITED)

..... Appellant

Through: Mr. Mayank Nagi, Mr. Tarun Singh and Mr. Sandeep Yadav, Advs.

versus

DEPUTY COMMISSIONER OF INCOME TAX

..... Respondent

Through: Mr. Gaurav Gupta, Sr.SC with Mr. Shivendra Singh and Mr. Yojit Parteek, Jr.SCs.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

O R D E R

% **16.04.2024**

1. We find that the instant appeal is clearly academic since insofar as the issue arising out of the Special Reserve Fund ["**SRF**"] and the appellant- assessee having foregone interest was concerned, has come to be answered in its favour insofar as the Cooperative Electrical Supply Society Ltd., Sircilla is concerned.

2. The appeal is, however, sought to be pressed in respect of the SRF and allied issues which may arise in respect of the other cooperative societies which had dealings with the appellant - assessee.

3. We however note that insofar as those cooperative societies were concerned, the Commissioner of Income Tax (Appeals) had taken note of the fact that the interest income had already been offered

to tax by those societies and had merely remanded the matter back to the Assessing Officer for the purposes of verification.

4. This is evident from paragraph 8 of the recordal of facts by the Income Tax Appellate Tribunal, which reads as under:

> "8. We have heard the rival parties and find that identical issue has been considered in the case of the assessee for Assessment Year 2009-10 in para No.41 of that order. As the ld CIT(A) has clearly give a direction to the ld AO to verify the interest income offered by the cooperative society and taxed in the hands of that society same cannot be taxed in the hands of the assessee. We find that there is no grievance caused to the revenue. In the present case the ld AO has already made enquiry with the cooperative societies and it was found that those cooperative societies have offered the above amount to tax in their own hands. Further, it was merely a direction to the ld AO for verification. We do not find any infirmity in the order of the ld CIT(A) and therefore, we dismiss the ground No.2 of the appeal of the ld AO."

5. In view of the above, we find no justification to entertain the instant appeal. Consequently, the same fails and shall stand dismissed.

YASHWANT VARMA, J.

PURUSHAINDRA KUMAR KAURAV, J.

APRIL 16, 2024/p