

IN THE HIGH COURT OF DELHI AT NEW DELHI

24.

ITA 1147/2007

C.I.T

.....

Appellant

Through Ms.P.L.Bansal with Mr.Vishnu Sharma, Advocates.

versus

EICHER LTD

..... Respondent

Through Ms. Kavita Jha, Advocate.

CORAM:

HON'BLE MR. JUSTICE MADAN B. LOKUR

HON'BLE DR. JUSTICE S. MURALIDHAR

O R D E R

28.11.2007

1. The Revenue is aggrieved by an order dt. 25th Jan., 2007 passed by the Income-tax Appellate Tribunal, Delhi Bench 'G', New Delhi (Tribunal) in ITA No. 3427/Del/2003 relevant for the asst. yr. 2000-01. The Revenue has raised two questions of law before us.

2. Insofar as the first question relating to a provision of Rs. 3,58,65,172 made by the assessee for bad and doubtful debts which could not be added to the book profit while computing deemed income under s. 115JA of the IT Act, 1961 (the Act) is concerned, learned counsel for the Revenue

frankly submits that in view of the decision rendered by this Court in the case of the same assessee in CIT vs. Eicher Ltd. (2006) 205 CTR (Del) 469 : (2006) 287 ITR 170 (Del) , no substantial question of law arises.

3. The second question relates to deleting the addition of Rs. 52,00,000 said to be a provision made by the assessee for diminution in value of shares while computing the deemed income under s. 115JA of the Act. It appears that the value of the shares of the assessee was claimed to be nil but this was not accepted by the AO.

4. Both the Commissioner of Income-tax (Appeals) [CIT(A)] as well as the Tribunal were of the view that there was nothing to suggest that the value in shares of the assessee was not nil. Moreover, reliance placed by the AO on Expln. (c) to s. 115JA(1) of the Act was inapplicable because neither was there a provision made by the assessee nor was the liability an unascertained liability. There cannot be any dispute about this in view of the facts of the case and so the terms of Expln. (c) are not at all relevant.

5. No substantial question of law arises.

6. Dismissed.

MADAN B. LOKUR, J

S.

MURALIDHAR, J

NOVEMBER 28, 2007