

IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'F' : NEW DELHI

BEFORE SHRI G.D. AGRAWAL, VICE PRESIDENT AND  
SHRI CHANDRA MOHAN GARG, JUDICIAL MEMBER

ITA No.496/Del/2014  
Assessment Year : 2008-09

Shri R.N. Sahni,  
51, Paschimi Marg,  
Vasant Vihar,  
New Delhi – 110 057.  
PAN : ABJPS2875D.  
(Appellant)

Vs. Additional Commissioner of  
Income Tax,  
Range-24,  
New Delhi.

(Respondent)

Appellant by : Shri P.N. Mehta, FCA.  
Respondent by : Ms. Susan D. George, Senior DR.

Date of hearing : 24.05.2016  
Date of pronouncement : 27.05.2016

**ORDER**

**PER G.D. AGRAWAL, VP :-**

This appeal by the assessee for the assessment year 2008-09 is directed against the order of learned CIT(A)-XI, New Delhi dated 28<sup>th</sup> October, 2013.

2. The only ground raised by the assessee in this appeal reads as under:-

*“On the facts & circumstances of the case the Commissioner (Appeals) is wrong in confirming the order of the Assessing Officer for disallowance of interest amounting to Rs.16,56,886/-.”*

3. We have heard the arguments of both the sides and perused the material placed before us. We find that the Assessing Officer disallowed the interest of ₹16,56,886/- on the ground that the borrowed money has been utilized for investment in the shares of M/s Alps Hotels Pvt.Ltd. In our opinion, in such circumstances, the

disallowance, if any, should have been considered as per provision of Section 14A. The Assessing Officer has not at all applied Section 14A. It was also claimed by the assessee that no dividend income was received and, therefore, on application of Section 14A, there would be no disallowance in view of the decision of Hon'ble Delhi High Court in the case of Cheminvest Limited Vs. CIT-VI in ITA No.749/2014, order dated 2<sup>nd</sup> September, 2015 and CIT-IV Vs. Holcim India P.Ltd. in ITA No.486/2014 & 299/2014, order dated 5<sup>th</sup> September, 2014. In our opinion, the entire matter needs re-examination from the angle of Section 14A. We, therefore, set aside the orders of authorities below and restore the matter to the file of the Assessing Officer and direct him to re-examine the issue from the perspective of Section 14A and make the disallowance in accordance with law, if any. Needless to mention that he will allow adequate opportunity of being heard to the assessee.

4. In the result, the appeal of the assessee is deemed to be allowed for statistical purposes.

Decision pronounced in the open Court on 27.05.2016.

Sd/-

**(CHANDRA MOHAN GARG)**  
JUDICIAL MEMBER

Sd/-

**(G.D. AGRAWAL)**  
VICE PRESIDENT

VK.

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1. Appellant : **Shri R.N. Sahni,**  
**51, Paschimi Marg, Vasant Vihar,**  
**New Delhi – 110 057.**
2. Respondent : **Additional Commissioner of Income Tax,**  
**Range-24, New Delhi.**
3. CIT
4. CIT(A)
5. DR, ITAT

Assistant Registrar