
**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

Income-tax Appeal No.585 of 2010
Date of decision: 18.1.2011

Commissioner of Income-Tax, Panchkula

...Appellant

Versus

M/s Haryana State Co-op Supply & Marketing Federation

...Respondent

**CORAM: HON'BLE MR.JUSTICE ADARSH KUMAR GOEL
HON'BLE MR.JUSTICE AJAY KUMAR MITTAL**

Present: Mr. Ygoesh Putney, Advocate for the appellant.

Mr. Rajesh Garg, Advocate for the respondent.

ADARSH KUMAR GOEL, J (Oral).

1. This Appeal has been preferred by the revenue under Section 260A of the Income Tax Act, 1961 (hereinafter referred to as "the Act") against order dated 29.1.2010 passed by the Income Tax Appellate Tribunal, Chandigarh Bench 'B', Chandigarh in ITA No.951/Chd/2009, for the assessment year 2006-07, raising following substantial questions of law:-

"a) Whether on the facts and circumstances of the case and in law, the Id. ITAT has erred in allowing deduction u/s 80(P)(2)(e) of the IT Act, 1961 whereas it has been held that the income of the assessee by the way of storage/custody receipt

is in the nature of business receipt?

b) Whether the Hon'ble ITAT was justified in issuing directions to the Assessing Officer regarding the calculation of correct amount of proportionate expenses of deduction u/s 80(P)(2)(e) of the Act when the deduction u/s 80(P)(2)(e) itself is not available to the assessee?"

2. Learned counsel for the parties do not dispute that the questions raised have been decided in favour of the revenue by this Court vide order dated 8.9.2010 in **ITA No.157 of 2005 (CIT Vs. M/s Haryana State Cooperative Supply & Marketing)**.

3. In view of the above, substantial questions of law are answered in favour of the revenue. The appeal is allowed accordingly.

(Adarsh Kumar Goel)
Judge

January 18,2011
Pka

(Ajay Kumar Mittal)
Judge