

**(2009) 07 P&H CK 0265**

**High Court Of Punjab And Haryana At Chandigarh**

**Case No:** IT Appeal No. 356 of 2009

Linen Rugs

APPELLANT

Vs

Commissioner of Income Tax

RESPONDENT

---

**Date of Decision:** July 22, 2009

**Acts Referred:**

- Income Tax Act, 1961 - Section 260A, 80IB

**Hon'ble Judges:** Daya Chaudhary, J; A.K. Goel, J

**Bench:** Division Bench

**Advocate:** Rajiv Sharma, for the Appellant;

**Final Decision:** Dismissed

---

### **Judgement**

@JUDGMENTTAG-ORDER

Adarsh Kumar Goel, J.

The assessee has preferred this appeal u/s 260A of the income tax Act, 1961 (for short, "the Act") against the order of the Income Tax Appellate Tribunal, New Delhi Bench "D", New Delhi dated 21-1-2009 passed in IT Appeal No. 977 (Delhi) of 2008 for the assessment year 2004-05, proposing to raise following substantial questions of law:-

(i) That the ITAT was justified in law in holding that appellant was not entitled to the deduction u/s 80-IB in respect of profits and gains arising on account of duty drawback which is intrinsically related/connected to the business profits of the industrial undertaking.

(ii) That the Income Tax Appellate Tribunal was justified in denying the claims of the appellant u/s 80-IB of the income tax Act, 1961 by blindly relying upon the judgment of this Hon'ble Court in the case of Liberty India and other judgments which are distinguishable on facts itself.

(iii) Whether on the facts and circumstances of the case, the findings of ITAT are perverse and against the evidences on record thus unsustainable in law.

(iv) Whether the ITAT has misdirected itself in being influenced by irrelevant facts and applying erroneous criteria while deciding the issue of eligibility for claiming deduction u/s 80-IB of the income tax Act, 1961.

Learned counsel for the assessee very fairly states that the matter is covered against the assessee by the judgment of this Court in *Raj Overseas v. CIT* [2008] 174 Taxman 566.

2. In view of above, the appeal is dismissed.