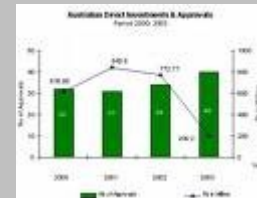




In *Indian Express Newspapers(Bombay)(P) Ltd. & Anr. v. UOI & Ors* it was held that revenue need sufficient reason for re-opening of assessment. Revenue sought to re-open on the grounds that assessee paid interest to one person and sufficient proof was there. They also recorded statement of another person who told these were “Hawala entries” and he expired after that. The court passed the order stating that revenue had relied upon that person's statement and the person has expired, so no purpose would be served in proceeding further as there is not sufficient reason for re-opening the assessment.

In case of an investment company where the business of the company is to invest its funds in the shares of sister concerns and other companies and also deposit the money with group concerns on which interest is received, the infrastructure of the company is utilized for the purpose of carrying out its objects, i.e investment in other concerns and also earning income on such investments. Therefore, assessee is required to furnish details of expenditure incurred on salary of staff utilized for the object of assessee-company, which would be disallowed otherwise under section 14A on estimate basis



*In Jagannath Temple Managing committee v. CIT &Ors (2008) 299 ITR 56 (Ori)*, a letter granting exemption under section 10(23BBA) was given to the administrator of the temple from Asst CIT dated 17-8-1995. The said exemption was withdrawn by ITO in his said order dated 12-10-2006 and also issuing notice under section 142. Hence these order was contrary to the Asst. CIT's order as well as against section 10(23BBA) granting the exemption.

Mr. Harsha Bhogle a cricket commentator was claiming the exemption under section 80RR which is 75% on taxable income for authors, sports person, musician, actors and artist who earn from foreign sources. The I-T Tribunal and department claimed that Mr. Harsha Bhogle was not doing “any creative work, exhibiting human skills, imagining anything in his mind”. According to the tribunal and anybody with “proficiency in English” and “Some knowledge of cricket” can do it hence rejecting the claim. However from A.Y 2005-06 the deduction has been deleted.

