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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ ITA 141/2024

**RELIGARE ENTERPRISES LTD** ..... Appellant

Through: Mr. Ajay Vohra, Sr. Adv. with  
Mr. Rohit Jain, Mr. Aniket D.  
Agrawal & Mr. Abhishek  
Singhvi, Advs.

versus

**ACIT CIRCLE 19 NEW DELHI** ..... Respondent

Through: Mr. Sunil Agarwal, SSC with  
Mr. Shivansh B. Pandya, JSC &  
Mr. Utkarsh Tiwari, Adv.

**CORAM:**

**HON'BLE MR. JUSTICE YASHWANT VARMA**

**HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR**

**KAURAV**

**ORDER**

**28.02.2024**

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1. Notice. Since the respondent is represented by Mr. Agarwal, no further steps need be taken.
2. Having heard Mr. Vohra, learned senior counsel appearing in support of the appeal, we prima facie find that the write-off of the investment in question is stated to be a part and parcel of the capital reduction scheme of arrangement which was duly approved. In view of the aforesaid, we are of the considered opinion that the appeal would merit further consideration.
3. We consequently admit the appeal on the following question of law:
  - (i) Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal erred in law in upholding



the action of the Assessing Officer in disallowing the capital loss suffered by the appellant on extinguishment and consequent write-off of investment made in preference shares of RCML as a result of Court approved Capital Reduction Scheme of the said investee company?

4. Let the matter be called again on 29.04.2024.

**YASHWANT VARMA, J**

**PURUSHAINDR KUMAR KAURAV, J**

**FEBRUARY 28, 2024/kk**