Cit Vs. Brihan Maharashtra Steel Industries (P) Ltd.

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SooperKanoon Citation : sooperkanoon.com/369148

Court : Mumbai

Decided On : Jul-24-2000

Reported in : [2001]118TAXMAN508(Bom)

Appeal No. : IT Appeal No. 4 of 2000 24 July 2000

Appellant : Cit

Respondent : Brihan Maharashtra Steel Industries (P) Ltd.

Advocate for Pet/Ap. : R.V. Desai and J.P. Deodhar, *for the Revenue* Pankaj P. Toprani, *for the Assessee*

Judgement :

Kapadia, J.

The short point which arises for consideration in this appeal is : Whether the assessing officer was justified in making adjustment under section 143(1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the Act) by computing deduction under section 80HHC by reducing the profits on account of deduction admissible under section 32A of the Act Section 80HHC of the Act has undergone several changes. This section has been debated in various decisions of the Tribunal. In fact, a Special Bench of the Tribunal was required to be constituted to interpret the changes in the said section. Under the above circumstances, the assessing officer was not justified in making an adjustment under section 143(1)(a) by computing the deduction under section 80HHC after reducing the profits on account of the deduction admissible under section 32A. In the circumstances, the Tribunal was right in coming to the conclusion that section 143(1)(a) cannot be invoked by the assessing officer. The assessing officer was free to invoke the provisions of section 143(2)/(3) and proceed by way of regular assessment.

2. Hence, the appeal is dismissed with no order as to costs.