

Cit Vs. Mittal Casting Ltd.

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Court : Delhi

Decided On : May-08-2002

Reported in : [2002]124TAXMAN11(Delhi)

Appeal No. : IT Appeal No. 25 of 2000 8 May 2002

Appellant : Cit

Respondent : Mittal Casting Ltd.

Advocate for Pet/Ap. : Sanjeev Khanna, for the Revenue

Judgement :

This appeal has been directed at the instance of the revenue under section 260A of the Income Tax Act, 1961 (hereinafter referred to as 'the Act'). The question which has been raised by the appellant is as to whether a disputed electricity bill which is pending before this court in a writ petition would be statutory liability or a contractual liability. The assessing officer held that the claim of the assessed would amount to revenue expenditure. Notice of the assessment, however, had been issued by the successor assessing officer purported to be on the ground that a contractual liability cannot be said to be revenue expenditure. A finding of fact, however, has been arrived at by the learned Tribunal that the view taken by the assessing officer merely a change of opinion from that of the assessing officer making the original assessment. The question whether a mere change of opinion can be a ground for initiating proceedings under section 147 of the Act fell for

consideration before the Full Bench of this court in Kelvinator of India Ltd v. CIT (ITC No. 4 of 2000). The Full Bench by its judgment dated 19-4-2002 has held that mere change of opinion would not be a ground for initiating a proceeding for reassessment. In view of the aforementioned finding of fact arrived at by the learned Tribunal, we are of the opinion that no substantial question of law arises for consideration in this appeal.

2. This appeal is, accordingly, dismissed.

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