Cit Vs. O.E.N. Connectors Ltd.

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SooperKanoon Citation : sooperkanoon.com/732524

Court : Kerala

Decided On : Jan-16-2002

Reported in : [2002]123TAXMAN453(Ker)

Appeal No. : IT Ref. No. 7 & 8 of 2002 16 January 2002

Appellant : Cit

Respondent : O.E.N. Connectors Ltd.

Advocate for Pet/Ap. : P.K.R. Menon and George K. George, *for the Revenue* Antony Dominic, *for the Assessee*

Judgement :

V.P. Mohankumar, J.

The question raised in these ITRs is whether, on the facts and in the circumstances of the case, the Tribunal is right in holding that the interest earned on short-term deposits of surplus funds is not revenue receipt and not taxable In view of the decision of the Supreme Court in Tuticorin Alkali Chemicals & Fertilizers Ltd. v. CIT : [1997]227ITR172(SC) , the Supreme Court held that both deposit and interest are separately assessable and cannot be claimed by the assessee. The question is answered upholding the same. in view of the decision of the Supreme Court, the question is answered in favour of the revenue and against the assessee.

2. These income-tax references are disposed of as above.