Cit Vs. Thanjavur Textiles Ltd.

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SooperKanoon Citation : sooperkanoon.com/829338

Court : Chennai

Decided On : Jan-30-2001

Reported in : [2001]253ITR138(Mad)

Appeal No. : Tax Case Petitions Nos. 5 and 6 of 2000 30 January 2001

Appellant : Cit

Respondent : Thanjavur Textiles Ltd.

Advocate for Pet/Ap. : T. Ravikumar, *for the Revenue* P. P. S. lanarthana Raja *for the Assessee*

Judgement :

R. Jayasimha Babu, J.

In the light of the decision of this court in the case of CIT v. Sri Hari Mills (P) Ltd. : [1999]237ITR188(Mad) , counsel fairly stated that the proposed question will have to be regarded as one which is covered by that decision.

It has been held in that case that expenditure on replacement of worn out parts of machinery is expenditure of revenue character, as it was meant to keep the business without break down of machinery and not expenditure incurred for starting a new business.

The tax case petitions are, therefore, dismissed.