

## **Commissioner Of Income Tax vs Heckett Engineering Company (India ... on 23 August, 1983**

**Equivalent citations: [1984]145ITR514(SC), 1984(SUPP)SCC681, AIRONLINE 1983 SC 39**

**Author: V.D. Tulzapurkar**

**Bench: D.P. Madon, V.D. Tulzapurkar**

### **JUDGMENT**

V.D. Tulzapurkar, J.

1. After hearing counsel for the Revenue as well as for the assessee, we are satisfied that the question raised in this appeal is covered by a decision of this Court in Standard Vacuum Oil Company's case .
2. Counsel for the Revenue, however, sought to make a distinction between two nomenclatures " retained earnings " and " unmerited foreign income ". The amounts represented by both these expressions as appearing in the balance-sheet have been held to be "reserves" by the Appellate Assistant Commissioner, the Tribunal and the High Court. But counsel urged that there was no material to show the exact nature or character of the amounts described as " unremitted foreign income " or that they had the same character as " retained earnings ". Counsel submitted that perhaps these amounts were those which had not been remitted by the branches in foreign countries other than Indian branch to the head office in the United States of America.
3. After going through the order of the Tribunal as well as of the High Court it is very clear that the submission of counsel is ill conceived and that both the expressions are used in one and the same sense and the amounts described in either way have the same character. In fact, the Tribunal has observed that it was not disputed before it that the nature of both the items was one and the same. The appeal, therefore, is dismissed with no order as to costs.