

Supreme Court of India

Commissioner Of Income-Tax vs Vijaya Production (P.) Ltd. on 15 January, 1998

Equivalent citations: (2000) 161 CTR SC 274, 2000 243 ITR 181 SC

Bench: S V Manohar, S Quadri

JUDGMENT

1. In view of the decision of this court in the case of Sunil Siddharthbhai v. CIT [1985] 156 ITR 509, the development rebate was correctly withdrawn under Section 155(5) of the Income-tax Act, 1961. The appeals are, there- fore, allowed. The High Court was not right in not directing a case to be stated before it under Section 256(2) of the Income-tax Act, in respect of the following question (see [1985] 152 ITR 613, 614) : "Whether, on the facts and in the circumstances of the case, the Appellate Tribunal was right in cancelling the order of the Income-tax Officer withdrawing the development rebate already allowed for the assessment years 1965-66 to 1972-73 consequent to the conversion of the assessee's proprietary business into a partnership firm ?"

2. Since the point at issue is covered by the decision of this court referred to above, we treat this question as a reference and answer it in the affirmative (sic) and in favour of the Revenue. The appeals are disposed of accordingly.