

Supreme Court of India

P. Sathrugan Pillai vs Commissioner Of Wealth-Tax on 10 March, 1992

Equivalent citations: 1993 199 ITR 7 SC

Bench: S Ranganathan, V Ramaswamy, Y Dayal

JUDGMENT

1. The question raised in these appeals which are under the Wealth- tax Act, 1957, is whether the liability for payment of gratuity to employees in terms of the Kerala Industrial Employees (Payment of Gratuity) Act, 1970, is deductible as a debt owing on the valuation date. The High Court has applied the decision of this Court in the case of Standard Mills Co. Ltd. v. CWT SC, the principle of which was reiterated; in Bombay Dyeing and Manufacturing Co. Ltd. v. CWT (SC). Learned Counsel for the appellants seeks to persuade us to reconsider the decision in the case of Standard Mills Co. Ltd. [1967] 63 ITR 470 (SC). Apart from the fact that we see no reasons to doubt the correctness of this decision which has held the field for about 25 years and has also been reaffirmed in the subsequent decision of this Court, we are also informed that the stakes involved in the present appeals are only a few hundred rupees each. In these circumstances, we do not think that there is any justification to think of reconsidering the said decision. The appeals, therefore, fail and stand dismissed. There will be no order as to costs.