

Supreme Court of India

Commissioner Of Income Tax vs Vajaya Productions (P) Ltd. on 15 January, 1998

Equivalent citations: (2000) 10 SCC 517

Bench: S V Manohar, S S Quadri

JUDGMENT

1. In view of the decision of this Court in the case of Sunil Siddharthbhai v. CIT, development rebate was correctly withdrawn under Section 155(5) of the Income Tax Act. The appeals are, therefore, 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 questions: "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 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 referred and answer it in the affirmative and in favour of the Revenue. The appeals are disposed of accordingly.