

Assam Oil Company Limited

Vs

Commissioner of Wealth-Tax, (Central Calcutta)

Civil Appeals Nos. 1404-1405 of 1970 and 1471 of 1971

(K.S. Hegde, A.N. Grover JJ)

23.09.1971

JUDGMENT

HEGDE, J. -

1. The questions of law referred to the High Court under Section 27 of the Wealth Tax Act, 1957 in all these appeals are more or less identical. It is sufficient if we refer to one of those questions. It read :

"Whether on the facts and in the circumstances of the case the provision of Rs. 2,99,21,841 made by the assessee for its tax liability less the amount of the last instalment of advance tax constituted a debtowed by the assessee within the meaning of clause (m) of Section 2 of the Wealth Tax Act on the relevant valuation date ?"

2. The High Court has answered these questions in favour of the revenue but in view of the decision of this Court in Kesoram Industries and Cotton Mills Ltd. v. Commissioner of Wealth Tax (Central) Calcutta, (59 ITR 767 : AIR 1966 SC 1370) the conclusion reached by the High Court cannot be accepted as correct.

3. In the result Civil Appeal No. 1404 of 1970 and Civil Appeal No. 1471 of 1971 are allowed, the answer given by the High Court to the questions referred to it are discharged and in its place we answer those questions in favour of the assessee. There will be no order as to costs.

4. Now coming to Civil Appeal No. 1405 of 1970, we revoke the certificate granted by the High Court as the same is not supported by any reason. Hence, that appeal is not maintainable. It is dismissed without any order as to costs.

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