

Peria Karamalai Tea and Produce Company Limited

v.

Commissioner of Income Tax

(Supreme Court Of India)

HON'BLE JUSTICE A. P. MISHRA HON'BLE JUSTICE B. N. KIRPAL

Civil Appeal No. 22 Of 1989 | 10-02-1998

The High Court, has answered the question of law which was referred to it in favour of the Revenue by coming to the conclusion, on interpreting section 40A(7)(b)(ii) of the Income-tax Act, 1961, that the appellant was not entitled to claim deduction of Rs. 11, 96, 413 which had been allowed by the Tribunal, because it had not made provision for the said amount in the accounting years relevant to the respective assessment years. In respect of the assessment year 1975-76, with which the High Court was concerned, it was found that the said sum of Rs. 11, 96, 413 was not in respect of the accounting year relevant to the assessment year 1975-76 and, therefore, was not allowable as a deduction.

We do not find any infirmity in the decision of the High Court and, therefore, this appeal is dismissed with no order as to costs.