
The Commissioner of Income Tax Vs Voltech Projects Pvt. Ltd.

Tax Case (Appeal) No. 513 of 2014

Court: Madras High Court

Date of Decision: Nov. 25, 2014

Hon'ble Judges: R. Sudhakar, J; R. Karuppiyah, J

Bench: Division Bench

Judgement

R. Sudhakar, J.

1. The respondent-assessee is engaged in contract business and in the memo of income, it had claimed deduction of the amounts retained by its

clients as per the contracts. According to the assessee, as the amounts were not received, they cannot be considered as part of income for the

impugned assessment year. The original authority, while considering the decision of this Court in Commissioner of Income Tax Vs. Ignifluid Boilers

(I) Ltd., , was of the view that since the issue was pending before the Supreme Court and that such a claim is of recurring nature, declined to

extend the benefit to the assessee. The Commissioner of Income Tax (Appeals), however, laying emphasis on the decision of this Court in Ignifluid

Boilers (P) Ltd., case (supra), allowed the appeal of the assessee and the department's appeal before the Tribunal was dismissed holding that the

decision of the jurisdictional High Court is binding on the Tribunal and therefore there was no reason to differ with the findings of the Commissioner

of Income Tax (Appeals). The said order of the Tribunal is under challenge before us.

2. When the matter was taken up for admission, the learned counsel for the appellant fairly pointed out that the Special Leave Petition preferred by

the department in C.C.No. 4879 of 2006 against the decision of this Court in Ignifluid Boilers (P) Ltd., case was dismissed by the Supreme Court

by order dated 17.7.2006.

3. Since the issue raised in this appeal had already been decided against the department by the Supreme Court in C.C.No. 4879 of 2006 dated

17.7.2006 (Commissioner of Income Tax v. M/s Ignified Boilers India Ltd.) and in C.C.No. 9463 of 2006 dated 12.12.2006 (Commissioner of

Income Tax v. East Coast Constructions & Industries Limited), no question of law arises for consideration. Accordingly, the tax case appeal is

dismissed.