

ITEM NO.3

COURT NO.7

SECTION IIIA

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (C) No(s). 1331-1332/2009

(Arising out of impugned final judgment and order dated 23/10/2007 in ITA No. 145/1987 and 23/10/2007 in ITA No. 146/1987 passed by the High Court of Delhi at New Delhi)

C.I.T., NEW DELHI

Petitioner(s)

VERSUS

M/S.MITSUI & CO.LTD., NEW DELHI

Respondent(s)

(with appln. (s) for c/delay in filing and refiling SLP, interim relief and office report)

WITH

SLP(C) No. 26110/2008

(With appln.(s) for c/delay in filing and refiling SLP, Interim Relief and Office Report)

Date : 01/03/2016 These petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE RANJAN GOGOI

HON'BLE MR. JUSTICE PRAFULLA C. PANT

For Petitioner(s) Mr. N.K. Kaul, ASG
Mr. Arijit Prasad, Adv.
Mr. Sanyat Lodha, Adv.
Mr. B. V. Balaram Das, Adv.

For Respondent(s) Mr. Mayank Nagi, Adv.
Mr. Tarun Singh, Adv.
For Mr. Shekhar Prit Jha, Adv.
For Mr. Jagjit Singh Chhabra, Adv.

UPON hearing the counsel the Court made the following
O R D E R

At the very outset this Court puts on record
its deep disappointment with the Revenue and all
concerned officers dealing with these matters with

regard to the manner in which assistance has been offered to the Court.

The above part of the order be brought to the notice of the Chairman of the Central Board of Direct Taxes so that prompt remedial measures, as may be required, in connection with the huge number of tax appeals pending in this Court are taken.

The short question of law that arises is the availability of the revisional power under Section 263 of the Income Tax Act, 1961 (in short, 'the Act'), in respect of the orders passed by the inspecting Assistant Commissioner of Taxes. This question has to be answered in context of the provisions of Sections 125 and 263 of the Act, as amended in 1984 and 1988.

We are told on behalf of the assessee that the question has become academic as the tax liability of the assessee had been decided in favour of the assessee in the earlier assessment years as also in the subsequent assessment years. Hence even if we are to decide the question of law in favour of the Revenue, the effective relief so far as Revenue is concerned would be nil.

However, Shri N.K. Kaul, learned Additional Solicitor General, has vehemently urged and has requested the Court that the question of law may be decided inasmuch as it may still be a live issue in other cases. Therefore, according to the learned Additional Solicitor General, the issue ought not to be left open.

These cases will be decided on merits by answering the question of law only after the Revenue satisfies the Court that the question posed is a live issue in other adjudications.

List these cases again on 17th March, 2016.

As directed, this order be brought to the notice of the Chairman of the Central Board of Direct Taxes.

(Neetu Khajuria)
Sr.P.A.

(Asha Soni)
Court Master