Haldia Petrochemicals Ltd vs Principal Commissioner Of Income Tax - 4

ID: F2J-C-2577 **Court:** Calcutta High Court
Case: ITA No. 20 of 2020 **Date:** 2020-12-09

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Calcutta High Court Haldia Petrochemicals Ltd vs Principal Commissioner Of Income Tax - 4 on 9 December, 2020 Author: I. P. Mukerji Bench: I. P. Mukerji OD11 IA No. GA No. 2 of 2019 GA No. 1185 of 2019 ITA No. 20 of 2020 IN THE HIGH COURT AT CALCUTTA SPECIAL JURISDICTION (INCOME TAX) CIVIL APPELLATE JURISDICTION ORIGINAL SIDE

Haldia Petrochemicals Ltd. Versus Principal Commissioner of Income Tax - 4

Before: The Hon'ble Justice I. P. MUKERJI And The Hon'ble Justice MD. NIZAMUDDIN Date: 9th December 2020

Appearance: Mr. J. P. Khaitan, Sr. Advocate Mr. S. Kejriwal, Advocate Mr. Soumik Ghosh, Advocate for the appellant

The Court: This appeal under section 260A of the Income Tax Act,

1961 against an order of the tribunal dated 22nd November 2008 is

admitted on the following substantial questions of law:

I. Whether the tribunal was justified in law in directing

disallowance of 1% of the appellant's dividend income

as expenditure under section 14A of the Income Tax

Act, 1961 when the appellant's case was that no

expenditure was incurred by it in relation to the

dividend income?

II. Whether on a true and proper interpretation of

section 115JB of the Income Tax Act, 1961, the

tribunal was justified in law in directing disallowance

of 1% of the appellant's dividend income in

computing the appellant's book profit under section

115JB? 2

III. Whether the tribunal was justified in rejecting the

additional grounds raised by the appellant and its

purported findings in that behalf are arbitrary,

unreasonable and perverse?

IV. Whether the tribunal was justified in law in not

deciding the question as to whether the amount of

Rs.42.67 crores received as incentive in terms of the

West Bengal Incentive Scheme, 1999 was a capital

receipt, not liable to tax under the normal

computation provisions as also the provisions relating

to minimum alternate tax?

As the respondents are not noticed, service of the notice of appeal is to be effected on them by 8th January 2021. The advocate-on-record for the appellant is directed to file an informal paper book by 25th January 2021, serving a copy thereof on the advocate-on-record for the respondent at least seven days before the hearing of the appeal. List the appeal for hearing on 8th February 2021. The stay application (GA No. 1185 of 2019) is disposed of. (I. P. MUKERJI, J.) (MD. NIZAMUDDIN, J.) R. Bose