CASE LAWS SUMMARY

S.No	Case	Explanation
1	ITO vs. Ch. Atchaiah (Supreme Court)	Income of AOP has to be taxed in the hands of AOP only and the members of AOP cannot be taxed individually.
2	Dr. T.A. Qureshi vs. CIT [2006] 157 Taxman 514 SC	Illegal income Ex:- Selling drugs etc.
3	Kesoram Industries & Cotton Mills Ltd vs CIT	Export subsidy given under export promotion scheme (revenue in nature)
4	CIT vs Rajaram Maize Products	Power Subsidy granted (revenue in nature)
5	CIT vs Ponni Sugars and Chemicals Ltd.	Purchase tax subsidy (revenue in nature)
6	Sadichha Chilra vs CIT	Film subsidy granted to promote quality films. (Capital in nature)
7	Jagapathy Art pictures vs CIT	Film subsidy granted after the film was certified by censor. (revenue in nature)
8	Sahney steel and press works Ltd (SC)	Grants given after setting up the industry and not for bring in any new capital asset (revenue in nature)
9	CIT vs Ponni Sugars & Chemicals Ltd.	Grants given to set up new units and for expansion of old units.
10	CIT vs central India industries ltd (SC)	Income received by an assesse need not be in the form of cash only. It may also be some other property or right which has monetary value.
11	CIT vs Raasi Cement ltd. (2013) 351 ITR 169 (A.P)	Power subsidy received by the assesse on the basis of actual power consumption is to be treated as trading receipt.
12	CIT vs SIya Ram garg (HUF) (2011) 49 DTR 126 (P&H)	Subsidy received for setting up agro based industrial unit in backward area is a capital receipt.
13	CIT vs Saurashhra Cement Ltd. (2010) 325 ITR 422 (SC)	Liquidated damages received by a co from the supplier of plant for failure to supply machinery is a capital receipt.
14	CIT v jagarjit Industries ltd (2011) 337 ITR 21 (Delhi)	Share price raised in foreign company and repatriated to India on need basis for approved uses, the gain arising on the balance sheet date due to fluctuation in foreign exchange the part of share upt used as working cpt should be treated as capital receipt.
15	CIT vs. Rasoi ltd (2011) 335 ITR 213B (Cal)	Subsidy from govt. under the scheme of industrial promotion for expansion of its capacities, modernization and improving its capabilities, (capital receipt in nature)
16	CIT vs Kisan Sahkari Chini Mills Ltd. (2010) 328 ITR 27 (All)	Incentive utilized for repayment of loans taken by the assesse to set up a new unit or substantial expansion of an existing unit (Capital Receipt in nature)

17	CIT vs Groz Beckert Asia Ltd. (2013) 351 ITR 196 (P & H)	Corporate membership fees cannot be treated as capital in nature as such fee doesn't bring into existence an asset or an advantage for enduring benefits.
18	CIT vs Kinetic capital finance ltd 2002 (Taxman) 548 (Bd)	Onus is placed on assesse to disclose identity of creditor, but not required to prove genuineness of transaction between creditors.
19	CIT vs Softworks computers P ltd. (2013) 354 ITR 16 (Bom)	Waivers of loan or advance taken for the purpose of relocation of office premises be treated as capital receipt not liable to tax.
20	CIT V Handicrafts & Handlooms Export corporation of India Ltd. (2014) 360 ITR 0130 (Delhi)	Grant received by a subsidiary co from its holding co. to recoup it's the losses incurred & enable to meet its liabilities is of capital in nature to protect its investment (Subsidiary).
21	CIT vs O. Abdul Razak (2011) 337 ITR 267 (Ker)	Leaving India for employment outside India also includes self employment outside India.
22	LS Cable, in re (2011) (AAR)	Not liable to tax, in respect of off shore supplies as per the act.
23	Aditya Birla Nuvo ltd vs DDIT (international taxation) (2011) (Bom)	On sale of shares to Indian IV Parameters, gain accrued in India would give rise to tax liability in the hands of us co and not in the hands of Mauritius co (Subsidy Co)
24	Trinity Corporation 295 ITR 258 (AAR)	Any Capital gain earned by a person by transfer of any capital asset situated in India is deemed to accrue or arise in India.
25	CIT vs Cli Lilly & Co (India Pvt Ltd) (2004) (312 (ITR) 225 (SC)	Payment of home salary abroad by foreign co to the expantriate for vendition of service in India, then such payment would constitute income deemed to accrue or arise in India.
26	Bharti Axa General Insurance Co Limited In (2010) (AAR)	Payment made by Indian insurance co to Singapore Co. for providing access to applications and serve hardware system hosted in Singapore is not in nature of Royalty.
27	Asia Satellite telecommunications Co ltd vs. DIT (2011) (Dct)	Won Resident TV Channel uplinks TV programme to satellite through their own facilities situated outside India & Satellites which are not stationed over Indian Airspace & Indian cable operator receives the signals, merely co2 of footprints area of satellite transponders it would not mean that satellite owner are carrying out its buss. Operations in India. Such amounts is not royalty as defined in explanation 2 to 9(I)(VI).
28	CIT vs Poddar Cements (SC)	Registration of sale deed is not mandatory to regard as owner.
29	Puttanna Sons (P) Ltd us CIT 162 ITR 468 (Kar)	Ownership need not extend to site. Owner of building sufficient.

30	Azinganj Estate (P) Ltd vs CIT (2012) 206 Taxman 308 (Cal)	Rental income from un sold flats of a builder be treated as If HP even through the assesse has claimed them as stock in trade for wealth tax purpose.
31	Joseph George & Co Vs ITO (2010) 32B ITR 161 (Kerala)	Letting out of building to the bank on long term lease cannot be treated as business income the rental income from bank has to be assessed as income from HP.
32	Mukherjee Estate (P) Ltd v. CIT (2000) ITR 1 (Cal)	If rent is only for letting out the roof and use of the space for erecting the hoarding. Such rent will be taxable under the head income from other sources.
33	CIT vs Hariprasad Bhojnagarwala (2012) 342 ITR 69 (Guj) (Full bench)	Benefit of one self occupied property is exempt is available even to HUF as it is not a fictional entity & it is only a group of natural functions.
34	New Delhi hotel ltd vs ACIT (2014) 360 ITR 0187 (Delhi)	Rental Inc. derived from the unsold flats which are shown as stock in trade in the books of the assese would be taxable under the head PGBP or under head IFHP in a case where actual rent receipts formed the basis of computation of income.
35	CIT vs J.K. Investors (Bom) Ltd. (2012) 211 Taxman 383 (Bom)	When there is a service agreement to provide services, such agreement is dependent upon the rental agreement i.e., in the absence of rental agreement there is no service agreement.
36	CIT vs. Asian Hotels Ltd. (2010) 323 ITR 490 (Del)	Notional interest is neither assessable as business income nor as income from house property.
37	CIT vs Kribhco (2012) 209 Taxman (252) (Delhi)	Provisions of Sec 14A will apply only for exempt income but not for deductions.
38	Hero Cycles (P&H), Minda Invst	No disallowance of interest on borrowed funds if assessing officer does not show nexus between borrowed funds & tax free investment.
39	CIT vs Sardar Arjun Singh Ahluwalla (1999) 240 ITR 693	Arrears of salary area chargeable to tax on receipt basis only.
40	Ram Prasad Vs CIT	MD is an employee of a co. and accordingly whatever remuneration he gets from the co is assessable under the head salaries.
41	CIT vs Govind swami Nathan	Advocate general of state gets salary as also fee for appearance on behalf of state. Appointed u / article 165 of const & holds office at the pleasure of government. There is no employer employee relationship & hence such fee is taxable as professional income.
42	Jusice deoki Nandan Agarwal vs UOI	Judqes area constitutional functionaries and their income is taxable under the head salaries of any other citizen.
43	CIT vs Gaghunath Murti (Del)	Refund of excess salary paid to comply with provisions of companies act 1956 and such refund was neither

		voluntary nor was for any extraneous reason such cannot be treated as assesse income.
44	CIT vs Shankar Krishnaan (2012) 349 ITR 0685 (Bom)	Interest on deposit need not be considered & hence it was held that there is no concept of determination of fair rental value for RFA.
45	CIT (TDS) vs Director, DPS (2011) 2012 Taxman 318 (P&H)	Where the cost of education exceeds Rs.1000 p.m. per child the whole amount shall be taxable in the hands of employee & no deduction of Rs.1000 p.m. shall be allowed.
46	CIT vs ITC Ltd (2011) 338 ITR 598	Tips are liable for TDS if paid to employer & then employer is paying to employee.
47	G. Venkataswamy Naidu & Co (SC) Ajit Jain vs CIT (2007) sc	Isolate transaction can be treated as adventure in nature of trade
48	Dr. K George Thomas (SC)	Income earned by rendering disclosures on philosophy, religion, atheism etc. (profession includes vocation)
49	P. Krishna Menon (SC)	Teaching Vedanta, Preaching, religion incudes profession.
50	Topman Exports (2012) SC	Diff between sale value & face value of DEPB will fall under head PGBP.
51	Iskraemeco Regnet Ltd (2011) Madras	Loan taken from bank for purchase of capital asset & loan was subsequently waived. It’s a capital receipt not tax in PGBP. Or any other head of income.
52	TVS Ltd (SC)	Deposit received in course of trading transaction & such credit balance which are barred by limitations & written by back to P&L A/c shall be assessed as income u/s (2B).
53	Templeton Asset Mgmt. (India) Pvt Ltd (2012) Bombay	Expenditure incurred by assese on behalf of mutual funds & recovered only a part of that expenditure or in case of no recovery. In such case AO cannot disallow the difference in expenditure incurred & borne by assese.
54	Shri Vardhman Overses Ltd (2011) Delhi	Amount payable to creditors, not written off by assesse in BOA. Cannot be cessation or remission of liability merely on the basis the limitation period of 3 yrs elapsed.
55	Rollatainers (2011) Delhi	Waiver of working capital loan utilized for day to day basis operations. Since it amounted to remission of a trading liability. Attracts sec 41(1) deemed profits.
56	Kaimal (P.K.) (Mad)	Assessee who claims bad debts and who recovers, must be same for application of sec 41(4).
57	Bharat Gears Ltd. (2011) Delhi	When the expenditure on machinery results in benefit of enduring nature to the assese, even though no new asset came into existence. Therefore such expenditure is of capital nature & Depreciation can be claimed.

58	Saravana Spinning Mills P. Ltd (2007) SC	Current repairs means repairs incurred to preserve and maintain an already existing asset.
59	CIT V Sri Mangayarkarasi Mills Pvt Ltd (2009) Sc	Replacement of an old machine part with a new one would constitute to bringing in a new asset in place of old one. Expenditure capital in nature.
60	Shanthi Bhushan (2011) Delhi	Heart surgery undergone is not allowable as deduction u/s 31, because it's a personal expense and hence cannot be claimed even u/s 37.
61	Yamaha Motor India Pvt Ltd (2010) Delhi	Depreciation is allowable on W.D.V. of entire block even though the block includes some machinery which has already been discarded & hence, cannot be put to use during relevant p.y.
62	CIT vs Star India Pvt Ltd Mum – 2008	Revenue Expenditure incurred on leased building COA be claimed u/s 30/37 Depreciations on Capital expenditure incurred on any other leased assets cannot be claimed.
63	Sunshine Glass Industries Pvt Ltd (2011) Raj	Building include Road attached to building and wells or tube wells.
64	ICDS Ltd vs CIT (2013) 350 ITR 527 (SC)	Depreciation on leased vehicles cannot be denied to the lessor on the ground that the vehicles are, registered in the name of lessee & the lessor is not the actual user of the vehicle.
65	Federal Bank (2011) Kerela	EPABX & mobile phones could not be treated as computers & hence cannot claim 60% Depreciation.
66	SMIFS Securities Ltd. (2012) 348 ITR 302 SC	Goodwill is an asset under explanation 3 (b) to s. 32(1) & eligible for depreciation.
67	Techno shares & Stock Ltd. V CIT (2010) SC	Membership card of BSE is an intangible asset & Hence eligible for depreciation.
68	S. Ambika (2011) Kerela	Abkari license i.e., license given by kerela state govt. for running a bar, eligible for depreciation under intangible assets.
69.	Belguchi Tax Co Ltd (2008) (SC)	If a person directly sells green tea leaves income these from is 100% agricultural income.
70.	Goodrikce Group ltd (2011) cal	Order 1. Compute taxable income under PGBP 2. Claim deduction u/s 33AB 3. Apply rule for segregation 4. Set off loss if any 5. Final taxable income PGBP
71	Ciba India Ltd	Assess Co. undertaken R&D Works for its parent co in USA is not entitled to deduction u/s 35(AB).

72	S.A. Builders Ltd (2007) SC	Holding company advances borrowed money to a subsidiary and the same is used by the subsidiary for some business purposes the assesse would be entitled to deduction.
73	Tulip Star Hotels Ltd (2011) Delhi	Interest paid on capital borrowed for investment in a subsidiary co is allowable as deduction since the subsidiary co was formed to carry on the business of the parent co in a more effective manner.
74	T.R.F. Ltd (2010) SC	It is not for the assesse to establish that the debt had become bad. It is sufficient if it is written off in the books.
75	Veerabhadra Rao, Koteshwara Rao & CO. (SC)	Successor to the business is entitled to deduction in respect of the debts incurred by the predecessor if business is not dissolved & the identity of the business after succession remains the same.
76	Vijaya Bank vs CIT (2010) SC	No need to close individual debtors account. The closure may lead to denial of debt by the customers.
77	Prakash Cotton Mills Pvt. Ltd SC	Assessee paying stamp duty by way of damages or penalty 1. Compensatory – allowed 2. Penalty – disallowed 3. Composite – AO has to make bifurcation.
78	Swadeshi cotton mills Co Ltd. SC	Liquidated damages paid for breach of contract of supply of capital asset is a capital expenditure, not allowable as deduction.
79	CIT vs Woodward Governor India Pvt Ltd (2009) SC	Loss arising due to Foreign exchange fluctuations relating to loan taken for revenue purposes as on the date of Balance sheet is an item of expenditure u/s 37(1).
80	Rotork controls India Pvt Ltd vs CIT (2009) (SC)	Provision for warranty expenses on accrual basis is an allowable expenditure.
81	General Insurance corporation 2006 SC	Expenditure incurred in connection with issue of bonus shares is an allowable expenditure.
82	Brooke Bond India Ltd – SC	Expenditure incurred in connection with issue of shares / right shares is capital in nature.
83	East India Pharmaceutical works Ltd (SC)	Interest on capital borrowed for payment of income tax is not allowable business expenditure u/s 37.
84	KIS India Pvt Ltd (2012) Delhi	Expenditure by assesse by way of retrenchment cost to employees in respect of suspension of one of the activities, is revenue expenditure & allowable since the entire business, is not closed down.
85	Naidunia News and Networking P Ltd (2012) MP	Expenditure incurred by the assesse on the education & travelling of an employee relating to assessee's business

		cannot be disallowed.
86	Khcmchand Motilal Jain Tobacco Products P Ltd. (2011)	Ransom money paid by assesse for release of its directors, can be claimed as deduction and would not be disallowed, as per Indian penal code.
87	Banco Products (India) Ltd vs. CIT (1999) Ahm (HC)	Proportionate issue expenses of such convertible debentures that relates to equity base of a co has to be treated as capital expenditure.
88	Echjay Forgings Ltd (2010)	Employee / Director son appointed as a trainee in Co under apprentice training scheme & sent on higher studies abroad not allowed as deduction since, no proof of existence of such scheme.
89	Millenia Developers P Ltd (2010) Kam	Amount paid by a construction co as regularization fee for violating building bye laws is in nature of penalty & hence could not be allowed.
90	Mascon technical service ltd vs. CIT (2013) 358 ITR 545 (MD)	Share issues expenditure incurred by a co be treated as capital in nature, if the public issue could not ultimately materialize on account of non clearance of SEBI.
91	Confederation of Indian Pharmaceutical Industry (SSI) v CBDT (2013) 353 ITR 388 (HP).	Expenditure incurred on freebies can be allowed as deduction if assesse. Satisfies assessing officer that the expense is not in violation of medical council regulation.
92	Triveni Engineering & Industries Ltd (2012) Delhi	1. Advances given to employee by amalgamating co in the ordinary course of business, which became irrecoverable. Should be allowed as business loss in the hand of amalgamated co, its revenue in nature. 2. Security deposit paid to the landlord by the amalgamating co, for obtaining lease of premises for business is irrecoverable in the hands of amalgamated co, is not a business loss since the same is a capital loss for acquiring capital asset, tenancy right.
93	Catholic Syrian bank Ltd (2012) SC	Banks are allowed deduction for provision for bad debts. However if the actual bad debts are more than the provision for bad debts such excess only will be allowed as bad debts, written off for rural advances. In case of urban advances, bad debts written off & provision up to 5% of ATI Both Can claim.
94	Mc Dowell & Co Ltd. (2009) SC	Furnishing of Bank Guarantee cannot be equated with actual payment which requires that money must how from the assesse to the public exchequer.
95	Sakthi Trading company (2001) SC	If on dissolution the business also discontinued to be valued at market value.
96	ALA Firm – SC	On dissolution of firm its stock in trade is revalued & profit on revaluation in the P & L Account shall be

		charged to tax as profit of the firm.
97	CIT Vs SM. Holding & Finance (P) Ltd (2004) (Bombay) HC	Premium on redemption of convertible debentures can be claimed as deduction and the life of debentures.
98	Brahamputra Capital Financial Services Ltd (2011) Delhi	Accrued interest on non performing assets should be excluded from income, since mercantile system of accounting recognize only income which is realizable.
99	Kedarnath Jute Manufacturing Co Ltd's Case	In the Apex Court, it was held that mere existence or absence of entries in books of account does not lead to any conclusion under income tax act.
100	K. Thangamanis Case (Madras)	Refund collected illegally by the assese by producing bogus TDS certificates can be treated as income of the assese.
101	Chelms Ford Clud – SC	Members taking advantage of the facilities attached to the membership offered by the club, income will be exempted by concept of mutually. Annual value of the building is also exempted.
102	Trivandrum Club – Kerala	Marriage hall being rented out to non members by making them as temporary members, income is taxable in the hands of the club.
103	Jagatjit Industries Ltd (2011) Delhi	Share capital raised in a foreign country and repatriated to India for approved uses & gain arising on Balance sheet date due to fluctuation in foreign exchange in respect of that part of share capital which is to be used as working capital to be treated as capital receipt (due to source of fund)
104	Udupi Builders Pvt Ltd (2009) Kar	Hotel established based on subsidery announced by the state govt. to be treated as capital receipt even though same was received after completion & commencement of business.
105	Khanna & Annadhanam vs CIT Delhi HC	Compensation on loss of referral work is a capital receipt i.e., if the receipt represents compensation for the loss of a source of income, it would be capital.
106	Make my trip (India) pvt Ltd. Vs DCIT – Delhi ITAT	It was held that Depreciation @ 25% is permissible on website development expenses under the block of intangible assets, which was affirmed by ITAT.
107	Oracle India Pvt Ltd vs CIT (Delhi) HC	Expenditure on acquiring master copy of software is deductible as revenue expenditure.
108	KPMG India Pvt. Vs ACIT Mumbai ITAT	It was held that club membership fees for employee incurred by the assesse is a business expenditure & liable to deduction u/s 37 of the Act.
109	Venugopal lnani 239 ITR 514 (SC)	For a partition to be recognized under the income tax axt, must lead to physical division of Joint properties.
110	Bachu Lai Kapoor 60 ITR 74 (SC)	So long as HUF Exists, Individual members cannot be

		separately assessed in respect of HUF income.
111	Tolaram Bijoy Kumar 112 ITR 750	When business of HUF is partitioned, the share coming to each co-parcener will be his HUF property & cannot be treated as separate property.
112	CIT v. D.L. Nandagopala Reddy (Indiv) (2014) 360 ITR 0377 (Kar)	Ancestral property received by the assesse after the death of his father be considered as HUF property, where such property was acquired under release deed by assesse father.
113	Satyendra Kumar (SC)	A gift can be made to HUF by anyone, provided such gift has been made for the benefit of the HUF as a whole.
114	Jugal Kishore Baldeo Sahai (SC)	Remuneration paid by HUF to karta for conducting family business is allowed as deductions, if remuneration is under a valid agreement & is reasonable & not excessive.
115	Raj Kumar Singh Hukam Chandji 78 ITR 33 (SC)	Remuneration received by Kart for services rendered to the co is taxable as his individual income even if the shares in the company are held by HUF.
116	Veerappa Chettiar 76 ITR 467 (SC)	Even after death of the sloe male member, HUF remains, unless the property which was originally of HUF is not divided among the rest of the co-parceners, i.e., joint family continues.
117	Chander Sen 161 ITR 370	When father dies intestate amount standing to his credit in the books of partnership devolves on the son in his individual capacity & not on the HUF of the son.
118	Merchant Navy club (AP)	No person can trade with himself and make an assessable profit.
119	Bankipur Club ltd (SC)	It was held that the receipt for various facilities extended by the club to members as part of the usual privileges, advantages & conveniences, attached to the membership of the club, cou7ld not be said to be a trading activity.
120	CIT vs Secunderabad Clube Picket (2012) 340 ITR 121 (AP)	Interest earned in fixed deposit made by a social club with its corporate members does not satisfy the principle of maturity to escape taxability.
121	Darjeeling Club ltd (Cal)	Members are also allowed to entertain their guests shall not be considered to be a disqualification.
122	Royal western India Trust club Ltd (SC)	If the service are open to non members the identify of the contributors & that of recipient would be lost & the assesse may not be eligible for the exemption.
123	Shivalika Co-operative group housing society Ltd (del)	Interest income earned by an assesse on surplus fund of a mutual society deposited with a banking institution is covered by the principle of maturity.
124	Delhi Gymkhana Club Ltd (Del)	Interest on investment and dividends on shares earned by a mutual association though a co operative society

		will be governed by the principle of mutuality and will not be taxable.
125	Sind co operative housing society vs. ITO (2009) 317 ITR 47 (Mumb)	Transfer fee received by a co operative housing society whether from outgoing or from incoming members is not liable to tax on grounds of mutuality.
126	Rashik Lal & CO (1998) SC	Partner in representative capacity and received remuneration as a working partner (as individual), then section 40(b) is applicable & should be within ceiling limit.
127	Grate city Manufacturing Co. (2009)	If remuneration payable to partners is within the ceiling limit prescribed u/s 40(b) section 40A(2) is not attracted.
128	Trilok Nath Malhotra – SC	If a member of a HUF join a firm representating the family & gets salary for managing the affairs of firm, the salary will be his individual income. But if the salary income is really a part of return on investment made by the HUF in the firm, the salary income would be added to the income of the HUF.
129	Sudhir Nagpal vs ITO (2012) 349 ITR 0636 (P&H)	Rental Income from plinth inherited by the individual co owners from their ancestors is taxable as income from other sources & would be taxable in the hands of individual co owners & not in the hands of HUF.
130	B Phillip John Plasket Thomas vs CIT 49 ITR 97 (SC)	Husband & wife relationship should subsists both on the date of transfer of asset & on the date of accrual of income. Then only the provision of sec 64(1)(iv) can be invoked.
131	Tulsidas Kilachand vs CIT 42 ITR (SC)	Natural love & affection of the transferee spouse, though a good consideration is not adequate consideration.
132	Mohini Thapar vs CIT 83 ITR 208 (SC)	Even if the form of asset transferred by the transferor spouse is changed by the transferee spouse, still the income arising from such changed asset shall be dubbed in the hands of the transferor spouse.
133	CIT Vs MP Birla	Assessee gifted units to his spouse. The spouse received bonus units & subsequently. She received interest on bonus units, such interest can not be clubbed.
134	Kunal Organics Pvt. Ltd. 2007 (Ahd)	Shares held by a person in 2 different capacities (as an individual & as an HUF) cannot be clubbed for purpose of deciding whether a person has substantial interest in concern.
135	Ambassador travel Pvt Ltd 2009 Delhi	Section 2(22)(e) is not applicable for amount advanced for a business transaction (in ordinary course of business.)
136	Alagusundaram Chettiar (2002)	Loans made by the co. to the employee fell in the category of benefit to the assesse i.e., assessable in the

		hands of MD as deemed dividend.
137	Bhaumik Colour Pvt Ltd. (2009) Mum	If the loan or advance is given to a concern such amount shall be treated as deemed dividend in the hands of the shareholders and not the concern.
138	Pradeep Kumar Malhotra vs CIT (2011) 338 ITR 538 (Cal)	Advance given to the assesse by the co was not in the nature of a gratious advance given, instead it was given to protect the interest of the co. therefore cannot be treated as deemed dividend.
139	CIT vs Mangoo & Co (2011) 335 ITR 527 (Kerala)	Rate of 30% prescribed u/s 115BB is applicable in respect of winnings from lottery received by the distributor.
140	Maharana Hemant Rana Singhji	Gold & Silver wins & bars used for Pooja are capital asset
141	Navin Jindal vs ACIT (SC)	Right to subscribe to right shares is a capital asset.
142	Vodafone International holdings BV (2012) SC	Property includes & shall be deemed to have always included any rights in or in relation to any Indian co, including rights of management, or control or any other right whatsoever.
143	Laxmi Devi Ratani (MP) 2008	Assessee giving up its right to claim the property & instead accepting money compensation is a case of extinguishment of right in property, resulting in transfer.
144	Anarkali Sarabhai – SC	Redemption of preference shares amount to transfer. It is similar to buy back & amounts to relinquishment of rights.
145	G Narasimhan – SC	Reduction of share capital amounts to transfer since there is extinguishment of proportionate right in shares. Proportionate cost is to be allowed as deduction.
146	BPL Sanyo finance Ltd Kamataka – 2009	Forfeiture of share application money because of failure by an assesse to pay balance amount on allotment of shares is transfer.
147	CIT vs Manjual J. Shah	In case of COA, the indexation benefit would be available from the year n which capital asset is acquired by the previous owner.
148	Vania silk Mills Pvt Ltd. SC	If the asset which is subject to damage or destruction is not capital asset but condition u/s 45(1A) are not satisfied, then the compensation is a capital receipt & it would not be taxed.
149	CIT vs A.N. Naik Associates	The word otherwise 45(4) has not to be read ejusdem generis. i.e., it takes into account not only cases of dissolution but also cases of subsisting partners of a partnership, transferring assets in favour of retiring partners.
150	P.P. Menon (2010) Ker	In determining the period of holding of a capital asset received by a partner on dissolution of firm, the period of holding of the capital asset by the firm cannot be

		taken into account.
151	CIT v Ghanshyam (HUF) 2009 SC	Enhanced compensation to be taxed in the year of receipt irrespective of the fact that such enhanced compensation has been received by the assesse on furnishing bank guarantee or any other condition.
152	R.M. Arunahcalam (SC)	Payment of outstanding loan of the predecessor by the successor for obtaining a clear title of the property by release of mortgage deed shall be the cost of the acquisition of the successor u/s 48 read with sec 55(2)
153	CIT vs V Natarajan (2006) 287 KR 271	The assesse is entitled for exemption u/s 54 even if the new house property is acquired in the name of his spouse, which was assessed in his hands.
154	Hindustan Uniliever Ltd (2010) Bombay	Exemptions can be claimed when bond is issued after 6 months of the date of transfer even though the payment for the bonds was made by the assesse within the 6 month period. (54EC)
155	Ruby Trading Co Pvt Ltd. (2003) Rajasthan	54EC would apply only where there is an actual transfer & not in a case where there is only deemed transfer.
156	CIT vs. Kulandagan Chettiar (2009) (SC)	In case of any conflict between the provisions of the agreement & the act , the provisions of the agreement would prevail over the act, in view of the provisions of section 90(2)
157	Rajiv Shukla (2011) Delhi	Capital gain arising on transfer of depreciable assets held for more than 36 months, though the same is STCG by virtue of sec 50, sec 54F exemption is available.
158	Venakataraman & others 137 ITR 846 (Mad)	Amount paid to existing tenant of the property for vacating & handling over peaceful vacant possession will be treated as cost of transfer.
159	Hooghly mills Co Ltd 287 ITR 333(SC)	Purchaser taking gratuity liability of existing liability during undertaking the same does not form part of consideration & cannot be added to cost of acquisition.
160	Jindas panchand Gandhi 279 ITR 552 (Guj)	Date of acquisition of Flat is co0operative society is date of allotment of share in the society & not the date of the delivery of possession of flat.
161	CIT vs Yatish Trading co Pvt. Ltd (2013) 359 ITR 320	Assessee being a dealer in shares & securities whose portfolio comprises of shares held as stock in trade as well as shares in investment, so at the time of conversion of stock in trade to investment would be taxed under head “Capital Gain” & no in PGBP.
162	Madhukhant M Mehta (2002) (SC)	Where legal heirs of a deceased proprietor enters into partnership & comes on the same business in same premises under the same trade name there is succession by inheritance.

163	CIT vs. S.H. Gotla (SC)	Business loss carried forward by assesse can be set off against the business income of wife or minor child, clubbed under the provisions of Sec. 64.
164	Tyresoles (India) vs CIT 49 ITR 15 (Mad)	If losses sustained are not set off against the profits of the immediately succeeding year or years, they can not be set off against the profits at a later date.
165	Appollo Tyres Ltd – SC	No other adjustment is permitted by law other than specified items u/s 115JB
166	Rolta India Ltd (2011) SC	Interest u/s 234B can be calculated on the book profit the assese was bound to pay advance tax.
67	Tulsyan Nee Ltd (2011) SC	MAT credit has to be set off against the assessed tax payable, before calculating interest u/s 234A,B,C.
168	Jayshree Tea and Industries Ltd (2006) _ Calcutta	A tea co. is liable to pay tax @ 40% of total net income. If there is DDT to that co, then the same is also would pay on the proportional amount.
169	CIT Vs Horyana State Handllom & Handicrafts Corp Ltd. (2011) 336 ITR 699 (P&H)	Proceeding u/s 154 for rectification of intimation u/s 143(1) cannot be initiated after issuance of notice u/s 143(2) by the AO to the assesse.
170	Peerplast Synthetic Pvt Ltd vs Asst CIT (2014) 364 ITR 16 (Guj)	Period of limitation for rectification u/s 254(2) has to be reckoned from the date of receipt of order by the assesse & not from the date of order.
171	CIT vs Tony electronics Ltd (2010) 320 ITR 378	The period of limitation of 4 years has to be counted from the date of order of the appellate authority (AO order merges with appellate authority)
172	CIT vs Shaw Wallace & Co Ltd (1993) 199 ITR 105 (Cal)	Where AO's order was partially revised u/s 264 & assesse south rectification of an item which was not the subject matter of revision, the period of limitation for rectification would be counted from the date of AO original order & not from the date of review.
173	Mepco Ind Ltd (SC) 319 ITR 208 Taxman 409)	Subsequent judgement if based on facts then assessment order cannot be rectified u/s 154.
174	N.K. Mahnot (mad)	Entry into the business premises must be during business hours but survey operation can continue after business hours.
175	Kamal & CO	It is necessary to verify the identity card & the status of the official who has visited the premises.
176	Lodhi property co ltd vs Under secretory (ITA-II) Dept of revenue (2010) 323 ITR 441 (Del)	CBDT has the power to condone the delay in filling of such loss return due to genuine reasons & delay was one day & assesse has shown sufficient reasons for delay.
177	Sahara Hospitality Ltd vs CIT (2012) 211 Taxman 15 (Bom)	Income tax authority shall give a reasonable opportunity of being heard.
178	Kanha Vanaspati (Delhi)	Discounting charges are in the nature of interest and

		liable to TDS.
179	Century Building industries Pvt Ltd 2007 – SC	Personal loan of directors routed through the company, interest paid by the co is subject to TDS.
180	CIT vs Hardarshan Singh (2013) 350 ITR 0427 (Delhi)	An assesse acting as an intermediary or facilitator for which he is receiving a commission, such person is not responsible for making the payment under 194C.
181	Sngapore Airlines Ltd (2009) Delhi	Commission & Supplementary commission received by the travel agents from airlines are liable to TDS u/s 194H
182	Idea Cellular Ltd (2010) Delhi (Vodafone Essar Cellular Ltd (2011) Kerala	Discount on sim card / recharge coupon offered by Cellular telephone network provides to distributors is liable to TDS u/s 194H.
183	Qatar Airways (2011) Bombay	Diff between commercial price & published price could not be treated as additional special commission in the hands of the agents of an airline co. to attract sec 194H.
184	Japan Airline Co Ltd (2009) Delhi	Landing & Parking charges paid by airline to Airport authority of India are in the nature of Rent & hence subject to TDS (194I)
185	CIT vs Singapore Airlines Ltd (2012) 209 Taxman SBI (Mad)	Charges governed by various consd on offering facilities to meet the regular of passengers safety and other facilities, like safe landing & etc. are nature of fee for services office thus attracting 194C.
186	Vodafone Essar Ltd vs CIT (Mum)	Payment of roaming charges, made by one mobile service provider to others cannot be considered as rent for section 194-I
187	DCIT vs Tata Teleservice Ltd ITAT Banglore	Service fee charged by banks are bank charges & not commission, therefore the provisions of section 194H are not attracted.
188	Hindustan lever Ltd (2014) 361 ITR 0001 (Kar)	In case assesse fails to deduct tax at source u/s 194B in respect of the winnings, which are wholly in kind, proceedings u/s 201 cannot be initiated against the assese.
189	CIT vs Kulandagan Chettiar (2004) (SC)	A non resident shall be taxed with respect to his business income only if he has permanent establishment in India.
190	Bombay Burmah Trading Corp (Bom)	In case assesse having income from various countries, relief u/s 91 is to be calculated on income country wise & not in aggregate.
191	Union of India vs. Azadi Bachan Andolan	It was held that a) DTAA has to be interpreted liberally b) Treaty shopping is legitimate c) Settled cases should be followed.
192	ITO vs M Far hotels Ltd vs ITAT Cochin	When DTAA is silent about the surcharge & education cess for the purpose of deduction of tax at source the

		taxpayers may take advantage of that provision in the DTAA for deduction of tax.
193	CIT Vs Om Prakash Mittal	An application filed u/s 245c(1) shall not be allowed to be withdrawn and the same cannot be revised.
194	CIT vs Om Prakash Mittal	Order of settlement commission is final and conclusive but if it is obtained by misrepresentation of facts & frauds then the order shall be deemed to be void.
195	CIT vs Anjum M.H. (Ghaswala)	Interest u/s 234A, B & C are mandatory in nature & settlement commission does not have power to reduce or wave it.
196	CIT vs Pruthvi Bricks & Share holders (2012) (Bomb) (SC)	It was held that assesse can make additional / new claim before an appellate authority which was not claimed by the assesse in ROI. Otherwise than by filing revised ROI.
197	Sree Ayyaanar Spinning & Weaving Mills ltd (2008) SC	If appeal for rectification is made within 4 years from date of order by the AO or assesse then the rectification can be made even after 4 years.
198	Deepak kumar Garg vs CIT (2010) 327 ITR 448 (MP)	The power of re-admission or restoration of the appeal is always enjoyed by the high court. However such power to restore the appeal cannot be treated as power to review the earlier order passed on merits.
199	Sanchit software & solutions Pvt Ltd vs CIT (Bom)	In this case HC directed the AO to consider the rectification application filed u/s 154 as a fresh application without awaiting the result of revision proceedings before CIT i.e., not to take advantage of assesse mistake.
200	Lachman Dass Bhatia Hingwala Pvt Ltd vs ALIT (2011)	It was held that while exercising its power of rectification u/s 254(2). Tribunal can recall its order in entirely where there is a mistake apparent from record.
201	Dr. Manoj Kabra vs ITO (2014) 364 ITR 541 (Allahabad)	a) If a bonafide purchaser purchases property for adequate consideration and no notice of pendency of proceedings was known to him, nor it was brought to his knowledge by the seller. b) The AO has no jurisdiction u/s 281 to suo moto declare the wide of such property as void.
202	CIT V.V. Sivakumar (2013) 354 ITR 9 (Mad)	In case a loan exceeding the specified limit advanced by a partnership firm to the sole proprietorship concern of its partner cannot be said to be in violation of section 269ss and no penalty is attracted in this case if assesse has added bonafide & there was a reasonable cause within the meaning of section 273B.
203	CIT vs Reliance Petrol Product Pvt Ltd (2010) 322 ITR 158 (SC)	A mere making of a claim which is not sustainable in law, by itself will not amount to furnishing inaccurate particulars regarding the income of the assesse (ref. 271(1)(c)]

204	CIT vs Indersons leather Pvt Ltd (2010) 328 ITR 167 (P & H)	HC Observed that mere raising of a debatable issue would not to amount to concealment of income or furnishing inaccurate particulars and therefore penalty u/s 271(1)(c) cannot be imposed.
205	Trustees of Gardhan das Govind Ram Family Charitable Trust (SC)	In case of trustees of a private trust when these are joint trustees then they will be treated as single unit & would be assessed in the capacity of an individual regarding net wealth of trust under this act.
206	Lalita Dalmia vs CIT (2004) 885 TTJ (Delhi) 690	Land on which construction is not permissible under any law cannot be treated as an asset.
207	CWTVS Giridhar G Yadalam (kar)	It was held that urban land on which completed building is there is eligible for exemption. However urban land on which building was under construction is taxable.
208	CIT vs Neena Jain (2010) 189 Taxman 308	It was held that where the building is under construction & its is incomplete neither the structure not the land will be liable to wealth tax because the land no more falls under the meaning of urban land.
209	CWT vs Kishanlal Bubna (SC)	If assets transferred were not wealth as on the date of transfer but they are converted into wealth at a later point of time, in such case clubbing provision shall be applicable.
210	Transfers of HEH the nizams piligimage money trust (SC)	For claiming exemption u/s 5(1) charitable or religious trust it is not necessary that the property must be held in India but it is necessary that the public purpose of charitable or sleigh our nature should be in India.
211	Mohd Ali Khan vs CWT (224 ITR 672) (SC)	Where the assesse is a former ruler assess was entitled to exemption u/s 5(iii) only in respect of those buildings or places where occupied by the ruler and not in respect of the buildings let out to the tenant.
212	CWT vs Motor General Finance Ltd (2011) 332 ITR 1 (Delhi)	It was held that no notice or opportunity of being heard is required where a notice u/s 16(4) has been issued prior to the making of BJA.
213	ACIT vs Late Shrimat Fp backward HC	It was held that penalty proceedings initiated against the assesse cannot be continued on legal heirs on the behalf of such assesse.
214	Goetze (India) Limited (284) ITR (SC) 323	Claim for a deduction not made in the return can be entertained by the AO only if such claim is made through a revised return & not otherwise.
215	Smt a kowsalary Bai vs UOI (2012) 346 ITR 156 (Kar)	In this case it was held that rule 206AA is not applicable to persons whose income is below the maximum amount chargeable to income tax to obtain PAN & Banking & financial institution shall not insist such person to furnish PAN while declaration u/s 197A.

216	Rajendra (Singh (2009) Mumbai	Recommendation for getting accounts audited should come from the AO and it cannot be substituted by another officers opinion.
217	Kelvinator of India Ltd (2010) SC	An assessment cannot be reopened only because of change of opinion. The existence of tangible markrial is essential to safeguard against an arbitrary exercise of this power.
218	M.K. Buildwn Ltd vs ITO (2011) 339 ITR 535 (Guj)	In case of change of incumbent of an office the successor AO cannot initiate re-assessment proceedings on the ground of change of opinion in relation to an issue which the predecessor AO, who had framed the original assessment came to conclusion. It can be done only when there is tangible information.
219	Rajesh Jhaveri Stock Brokers Pvt Ltd (2007) SC	Intimation u/s 143(1) had been issued & failure to take steps u/s 143(3) will not render the AO powerless to initiate section 147.
220	Dr. Lata Chouhan (2010) MP	A notice u/s 147 can be issued on the basis of material found by dept during survey conducted in business premises of assesse.
221	Karimangalam Onriya Pengal Semip Amalpu Ltd	Madras HC in this case held that there is no automatic or deemed registration if application is not disposed within 6 months.
222	Lissie Medical institution vs CIT (Kerala) (HC)	It was held that trust cannot claim depreciation since capital expenditure is fully allowed as depreciation.
223	M/s Liberty India vs CIT (SC) 133 Taxman 349	Duty drawback receipt / DEPB benefits do not form part of the net profits of eligible industrial undertaking for the purpose of sections 80-I / 80-IA / 80-IB.
224	Pandian Chemicals Ltd 262 ITR 278 (SC)	Interest derived from deposit with electricity Board is not business income and not entitled to tax deduction u/s 80-IB.
225	CIT Vs Oracle software India Ltd (SC)	Loading of software on blank CD from master media amounts to manufacture.
226	Puttur Petro products Pvt Ltd vs ACIT (2014) 361 ITR 290 (Kar)	It was held that the process of bottling of gas into gas cylinders, which requires a very specialized process & independent plant & Machinery amounts to production of gas cylinders containing gas for the purpose of claiming deduction u/s 80-IB.
227	R.D. Agarwal & Co. 56 ITR 205 T.I. & M Sales Ltd 166 ITR 93	Indian Co. Canvassing orders for non resident co had no right to accept offers on behalf of non resident & contracts were entered & prices required outside India, Indian co is not assessable as agent of non resident as there is no business connection.

228	Global geophysical services Ltd in re (2011) 332 ITR 418 (AAR)	The seismic data used by exploration & production co for locating potential oil & gas reserve based upon geology observed dearly feel within description of sec 44BB 2 income derived by applicant is to be computed under same provisions.