

HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

D.B. Income Tax Appeal No. 242/2018

Principal Commissioner Of Income Tax Jaipur-Ii

----Appellant

Versus

M/s Rajasthan State Industrial Development And Investment Corporation Ltd

----Respondent

For Appellant(s)	:	Mr. Anuroop Singhi Mr. N.S. Bhati Mr. Aditya Khandelwal
For Respondent(s)	:	Mr. Rohan Chattar on behalf of Mr. Siddharth Ranka

HON'BLE MR. JUSTICE INDERJEET SINGH
HON'BLE MR. JUSTICE VINOD KUMAR BHARWANI

Order

23/01/2025

Heard.

This appeal is admitted on the following substantial questions of law:-

"1. Whether in the facts and circumstances of the case and in law, the Hon'ble ITAT was justified in quashing the entire re-assessment u/s 147/148 of the I.T. Act on the ground that as the notice u/s 154 on the same issue had been issued and was pending, the reopening u/s 147 was unsustainable?

2. Whether in the facts and circumstances of the case and in law, the Hon'ble ITAT was correct in holding that since proceedings u/s 154 were pending, the issuance of notice u/s 147 amounts to a mere change in opinion thereby overlooking the fact that such action in actuality amounts to a more clear opinion that the most suitable remedial action be adopted to

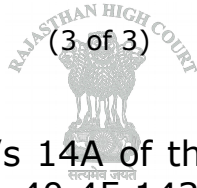
prevent the escapement of income as held by the ITAT Kolkata in Wealth-Tax Officer v/s Aditya Narula (1999) 68 ITD 61 Ko1) and ITAT Indore in Kalani Industries vs. DCIT 1 (1) (ITA 514/Ind/2006)?

3. Whether on a mere technical aberration which does not cause any prejudice to the assessee, the Hon'ble ITAT is justified in setting aside the initiation of proceeding u/s 147 and resultant quashing of the reassessment overlooking the legal proposition that the assessee is liable to be taxed on its correctly determined income.

4. Whether in the facts and circumstances of the case, the Hon'ble ITAT was justified in nullifying the 147 proceedings which has the effect of allowing set off of losses of the units of Rs.1,36,34,565/- of earlier years from gross deduction u/s 80IA(4) of Rs.98,13,07,575/- instead of Rs.95,11,66,028/- when the assessee had itself claimed a deduction of only Rs.95,11,66,028/- in its original return filed u/s 139 (1) of the I.T. Act?

5. "Whether in the facts and circumstances of the case and in law, the Hon'ble ITAT was justified in nullifying the 147 proceedings which has the effect of allowing deduction u/s 80IA in respect of other income like economic rent, service charges, water charges & prior period income worth Rs.81,63,816/- and also allowing interest income including penal interest income worth Rs.18,98,21,844/- even though the interest income & other income is not eligible for deduction U/s 80-IA?

6. Whether on the facts and circumstances of the case and in law the Hon'ble ITAT was justified in nullifying the 147 proceedings which has the effect of allowing relief to the assessee out of



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addition made u/s 14A of the I.T.
Act worth Rs.40,45,143/-and
applying rule 8D(2) (iii)."

List this appeal in the first week of April, 2025.

(VINOD KUMAR BHARWANI),J

(INDERJEET SINGH),J

Upendra Pratap Singh /96