

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO(S) .2478/2006

COMMISSIONER OF INCOME TAX-I. PUNE

APPELLANT (S)

VERSUS

V.V. PATIL SAHKARI SAKHAR KARKHANA LTD.

RESPONDENT (S)

O R D E R

Following substantial question of law was raised by the Revenue in appeal against the judgment of the Income Tax Appellate Tribunal:

"Whether, on the facts and circumstances of the cases involved herein, the various funds/deposits; such as (i) Non-refundable Deposit ('NRD' for short); (ii) C.M. Relief Fund; (iii) Hutment Fund; (iv) Area Development Fund; (v) Education Fund, sometime referred to as Sane Guruji Education Fund and/or Education Fund; Cane Development Fund; (vi) Flood Relief Fund; (vii) Interest on NRD; collected by the assessee - Karkhana out of sugar cane price payable to the cane growers are trading receipts of the assessee as held by the Supreme Court in case of C.I.T. Vs. Bazpur Cooperative Sugar Factory Ltd., (1988) 172 ITR 321?"

The High Court relying upon its earlier judgment dated 07.01.2002 passed in ITA No. 1160 of 2000 dismissed the appeal.

Mr. Adhyaru, learned senior counsel appearing for the Revenue has drawn our attention to the judgment of this Court rendered subsequently, in the case of "Siddheshwar Sahakari Sakhar Karkhana Ltd. vs. C.I.T., Kolhapur & Ors. (2004) 270 ITR 1, where identical

question of law came up for consideration and after answering the same, this Court had remitted the matter to the Income Tax Appellate Tribunal for fresh determination in relation to the deduction qua the Area Development Fund.

Following the aforesaid judgment, this appeal is allowed and the impugned judgment of the High Court is set aside. The matter is referred back to the Income Tax Appellate Tribunal for fresh consideration.

.....J.  
[A.K. SIKRI]

.....J.  
[ASHOK BHUSHAN]

NEW DELHI;  
FEBRUARY 22, 2017.

ITEM NO.106

COURT NO.8

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

Civil Appeal No(s). 2478/2006

COMMISSIONER OF INCOME TAX-I. PUNE

Appellant(s)

VERSUS

V.V. PATIL SAHKARI SAKHAR KARKHANA LTD.

Respondent(s)

Date : 22/02/2017 This appeal was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE A.K. SIKRI  
HON'BLE MR. JUSTICE ASHOK BHUSHANFor Appellant(s) Mr. Yashyank Adhyaru, Sr.Adv.  
Mrs. Anil Katiyar, Adv.For Respondent(s) Ms. Kavita Jha, Adv.  
Ms. Shivani Khandekar, Adv.  
Mr. Bhargava V. Desair, Adv.  
Ms. Akriti Dewan, Adv.  
Mr. Prakash Kumar, Adv.UPON hearing the counsel the Court made the following  
O R D E R

The appeal is allowed in terms of the signed order.

Pending application(s), if any, stands disposed of  
accordingly.(Ashwani Thakur)  
COURT MASTER(Mala Kumari Sharma)  
COURT MASTER

(Signed order is placed on the file)

(Appearance Slip on behalf of appellants has not been provided.)