

JSW Steel Ltd. ...Appellant(s)

Versus

C.I.T. & Anr. ...Respondent(s)

O R D E R

Leave granted.

Having heard learned counsel on both sides, we are of the view that the High Court ought to have answered the following two questions which arose for determination after having framed them.

"1. Whether on the facts and circumstances of the case, interest derived by the assessee from the borrowed funds which were invested in short term deposits with banks, funds mobilized through share capital, borrowing in the form of debentures on private placement etc. would be chargeable under the head 'income from other sources' or under the head 'income from business'?

2. Whether on the facts and circumstances of the case the expenditure incurred by the assessee before commencement of its business of Integrated Steel Plant amounting to Rs.15,43,40,694/- and Debenture Issue expenses of Rs.10,77,53,775/- can be allowed on the ground that the business of the assessee has already commenced?"

Accordingly, we direct the High Court to answer the

...2/-

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said questions in accordance with law.

Civil Appeal is disposed of accordingly.

.....J.
(S.H. KAPADIA)

.....J.
(AFTAB ALAM)

New Delhi,
September 29, 2009.
ITEM NO.64

COURT NO.3

SECTION IIIA

(From the judgement and order dated 30/01/2008 in ITA No.150/2003
of the HIGH COURT OF KARNATAKA AT BANGALORE)

JSW STEEL LTD.

Petitioner(s)

VERSUS

C.I.T.& ANR.

Respondent(s)

(With appln(s) for permission to file addl. documents and prayer
for interim relief and office report)

Date: 29/09/2009 This Petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.H. KAPADIA
HON'BLE MR. JUSTICE AFTAB ALAM

For Petitioner(s) Mr. Soli J. Sorabjee, Sr.Adv.
Mr. U.A. Rana, Adv.
Ms. Mrinal Majumdar, Adv.
for M/s Gagrat & Co.,Adv.

For Respondent(s) Mr. Gopal Subramaniam, ASG.
Mr. D.K. Singh, Adv.
Mr. T.A. Khan, Adv.
Mr. B.V. Balaram Das, Adv.

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

Leave granted.

Civil Appeal is disposed of in terms of the
signed order.

(N. ANNAPURNA)
COURT MASTER

(MADHU SAXENA)
COURT MASTER

(Signed Order is placed on the file)