Commissioner of Income Tax v. Neotech Company (Firm)

TC(A) No. 46 of 2007

TCA46/2007 (2007-02-07) | 2007-02-07

Deletion of surcharge upheld for a search predating the 1 June 2002 proviso under the historical block-assessment regime.

113 | 132 | 158BC | 260A

High Court of Judicature at Madras | Division Bench | Justice P.D. Dinakaran | Justice Chitra Venkataraman

Assessment years: 1988-89 to 1998-99 (block), 1 April 1998 to 9 July 1998

Scope of this order

Deletion of surcharge remained undisturbed for the block assessment in issue.

01 FACTS OF THE CASE

Neotech Company was searched on 9 July 1998. The block assessment imposed ten per cent surcharge. CIT(A) deleted it and the Tribunal upheld that deletion; Revenue appealed.

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02 DISCUSSION BY THE HON'BLE COURT

Following Roshan Singh Makker, the Court treated the section 113 proviso effective from 1 June 2002 as inapplicable to this earlier search. It expressly declined to examine the second question about complexity of the levy.

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03 JUDICIAL DECISION

Revenue's appeal was dismissed without a substantial question of law requiring consideration.

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04 OUTCOME / IN WHOSE FAVOUR

Deletion of surcharge remained undisturbed for the block assessment in issue.

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05 EXPERT COMMENTS

Use the correct search date — The assessee's search was 9 July 1998. The 1 June 2000 date inside the precedent quotation belongs to Roshan Singh Makker and must not replace this case's facts.

Do not manufacture an answer to the second question — The Court said that its answer on temporal applicability made examination of the separate complexity question unnecessary. That is not a second affirmative holding.

Distinguish the historical regime and source chronology — The caption gives an assessment-order date in 2004, while the narrative gives 24 July 2000. The note follows the operative search-date reasoning and does not silently resolve that discrepancy or certify later treatment.

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SOURCE & VERIFICATION

Primary High Court order - verified local repository copy

Complete 4-page court PDF read for this correction.

Complete source text and every original page visually reviewed; identity and SHA-256 checked. AI-assisted source analysis.

Open cited source rendition

All 4 physical source pages read and visually inspected. SHA-256: 59e70b9d5d48f94a8372b506ba069ad7849c56d8b35e2063690d3e4dfef0c5e7.

STATUTORY SCOPE

This note describes the historical provisions and authorities addressed by the supplied judgment. Subsequent statutory changes and judicial treatment have not been independently verified.

LATER TREATMENT

Source checked 2026-10-21. Subsequent judicial treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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