Commissioner of Income Tax v. Elgi Ultra Industries Ltd.

TC(A) No. 441 of 2007

TCA441/2007 (2007-06-06) | 2007-06-06

Reassessment beyond four years failed under the then section 147 proviso because material facts had been fully disclosed.

143(3) | 147 | 148 | 260A

High Court of Judicature at Madras | Division Bench | Justice P.D. Dinakaran | Justice P.P.S. Janarthana Raja

Assessment years: 1999-00

Scope of this order

The order invalidating the reassessment remained undisturbed.

01 FACTS OF THE CASE

Elgi Ultra Industries was assessed under section 143(3) on 27 March 2002 for AY 1999-00. A section 148 notice was issued on 28 July 2004 and served on 3 August 2004. Revenue alleged excessive deduction, but the appellate authorities found no failure to disclose material facts.

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02 DISCUSSION BY THE HON'BLE COURT

The Court applied the then four-year proviso to section 147, following Foramer France and Elgi Finance. All relevant material was available at the original assessment, and the necessary disclosure failure had not been found.

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03 JUDICIAL DECISION

Revenue's tax appeal was dismissed, the miscellaneous petition was closed and no costs were awarded.

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04 OUTCOME / IN WHOSE FAVOUR

The order invalidating the reassessment remained undisturbed.

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05 EXPERT COMMENTS

The proviso's conditions must be read together — The decision concerns a completed scrutiny assessment, action beyond four years and absence of the required disclosure failure. It is not a universal four-year bar irrespective of facts or statutory version.

Excessive relief alone did not answer the jurisdictional defect — Revenue's allegation that the deduction was excessive did not supply the missing finding about full and true disclosure. The Court did not decide a fresh computation of the deduction.

Keep later reopening regimes separate — The source sets out the statutory framework then applicable. Applying this historical result to another notice requires checking the applicable legislation and facts; later treatment has not been verified here.

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SOURCE & VERIFICATION

Primary High Court order - verified local repository copy

Complete 5-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 5 physical source pages read and visually inspected. SHA-256: 729dd5c720073e94fb75558cbfc0747003879ba038b8b000c04817a13882b418.

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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