

M/s. Hind Wire Industries Ltd. v. Commissioner of Income Tax, West Bengal-V

Civil Appeal Nos. 1323–1327 of 1995

[1995] 1 SCR 519 | 1995-01-20

Whether the historical four-year rectification period could run from a rectified assessment order rather than only from the original assessment order.

154(1) | 154(1A) | 154(7), historical wording

Two-judge bench | P.B. Sawant, J. | G.N. Ray, J.

Assessment years: See the source-scope notes; no year inferred.

Historical limitation wording; no universal fresh clock

A rectified order counted as the relevant order on these facts. The judgment applies expressly reproduced historical wording; the separate statutory financial-year-end amendment must be checked. Later Alagendran limits a fresh-clock argument for untouched matters in its section 263 setting. The 10% depreciation entitlement was undisputed, no AY is supplied, and comprehensive later treatment remains unverified.

01 FACTS OF THE CASE

The original assessment order was dated 21 September 1979. On the assessee's application concerning shift allowance, it was rectified on 12 July 1982. The assessee applied again on 4 July 1986, stating that the factory building should have received depreciation at 10% rather than 5%. The ITO and AAC held the application late; the Tribunal treated it as within four years of the rectified order. The High Court instead counted from the original order (physical page 2).

The Supreme Court recorded that entitlement to the 10% allowance was undisputed if the application was timely. The report does not identify the assessment year or amount; the order dates are not substituted for an invented assessment year (physical pages 2–3).

Source: See the proposition-specific paragraph and PDF-page references below.

02 DISCUSSION BY THE HON'BLE COURT

The Court applied section 154(7) in the historical wording expressly set out in the order. The relevant expression did not qualify the word order as meaning only the original assessment. It could include an amended or rectified order. On these facts, the operative rectified order of 12 July 1982 supplied the relevant starting point (physical pages 3 and 9–10).

The Court relied on earlier rectification/reassessment authorities, including International Cotton Corporation and H.R. Sri Ramulu, and reproduced substantial passages concerning sales-tax and older income-tax provisions. Those quotations supported its interpretation; they are not fresh determinations of every reassessment or merger issue under the 1961 Act (physical pages 3–9).

The Court preferred the Tribunal's view over the High Court's insistence on the original assessment date. Because the application was within the applicable four-year period from the rectified order, the admitted depreciation entitlement could be given effect (physical pages 3 and 9–10).

Source: See the proposition-specific paragraph and PDF-page references below.

03 JUDICIAL DECISION

The Court set aside the High Court order and restored the Tribunal's decision. All appeals were allowed with no order as to costs. The application was not barred by the limitation ground applied below (physical page 10).

Source: See the proposition-specific paragraph and PDF-page references below.

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Assessee

Appeals allowed; Tribunal restored; no costs

Final historical rectification-limitation ruling, with depreciation entitlement undisputed

Not a general ruling that every later order renews time for every unrelated issue, nor a present-law depreciation-rate or deadline computation.

Source: See the proposition-specific paragraph and PDF-page references below.

05 AKHB REVIEW POINT

Identify the exact order sought to be amended and the statutory version governing the time limit. Hind Wire establishes that the relevant order can be a rectified order; it is not confined by definition to the first assessment. The 10% factory-building rate was accepted on the facts and is not a universal rate prescribed by this decision.

Two qualifications matter. First, the checked 2011 compilation records that section 154(7)'s starting-point words were changed from the order date to the end of the financial year in which the order was passed, effective 1 October 1984. The Court nevertheless expressly adjudicated the historical wording it reproduced; this note does not silently substitute a modern deadline into its facts.

Second, the actually checked Alagendran Finance judgment (27 July 2007) considered reliance on Hind Wire in a section 263 dispute. It held that reassessment of distinct matters did not reset revision limitation for an untouched lease-equalisation issue. That bounded later comparison cautions against an unlimited fresh-clock reading; it is not an express wholesale overruling of Hind Wire. Comprehensive later treatment, any present deadline and 2025 Act mapping remain unverified.

Source: See the proposition-specific paragraph and PDF-page references below.

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Identity and full appeal range

Source url: [Open cited source](#)

Pdf pages: 1; 2

Paragraphs: Unnumbered judicial text

Source role: reported metadata and judicial text

2.

Topic: Two applications and admitted depreciation entitlement

Source url: [Open cited source](#)

Pdf pages: 2; 3

Paragraphs: Unnumbered judicial text

Source role: judicial text

3.

Topic: Historical provision and order interpretation

Source url: [Open cited source](#)

Pdf pages: 3

Paragraphs: Unnumbered judicial text

Source role: judicial text

4.

Topic: Precedent quotations and operative restoration

Source url: [Open cited source](#)

Pdf pages: 4; 5; 6; 7; 8; 9; 10

Paragraphs: Unnumbered judicial text

Source role: judicial text

5.

Topic: Later statutory starting-point amendment

Source url: [Open cited source](#)

Pdf pages: 735; 736

Paragraphs: Section 154(7), footnote 66; contextual section 154 text

Source role: bounded historical statutory text

6.

Topic: Alagendran: Hind Wire reliance and distinct-issue limitation

Source url: [Open cited source](#)

Pdf pages: 5; 7; 8; 9; 10; 11; 12

Paragraphs: Paragraphs 4–5 and 7–16

Source role: bounded later judicial comparison

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Order of the Court; no individual author named in the report

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(reported judgment\)](#)

Identified source rendition: 10 PDF pages; SHA-256

42d2561c7651407b5379baf07e33796007dc598b1d05b64a56597512d2bcd343. Original bytes preserved.

Complete Court order physical pages 2–10/SCR 520–528; substantial quoted earlier judgments and sales-tax provisions on pages 3–9 distinguished from the present Court's own order. No adjoining judgment.

[Open cited source rendition](#)

No individual author is stated: physical page 2 identifies an order of the Court. Metadata identifying judges is not converted into an unsupported individual authorship.; The report gives no assessment year; the original assessment order's 1979 date does not establish one.; Large parts of physical pages 3–9 quote other courts' earlier decisions and sales-tax statutes; their procedural details are not facts of Hind Wire.; The order expressly uses the earlier order-date wording although the stated second application was made in 1986. The separate 1984 statutory change is recorded as a qualification, not silently reconciled or used to rewrite the Court's formulation.; Alagendran addresses section 263 and an untouched issue in its own facts. Its restriction cannot be labelled an express overruling of all section 154 rectification principles.

STATUTORY SCOPE

No automatic mapping to the Income-tax Act, 2025 or present-law certification. Apply the statutory text for the relevant year.

LATER TREATMENT

Source checked 2026-10-04. No comprehensive later-treatment search is certified. Any actually checked later judgment or statute is expressly identified in this note.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 10](#)

SHA-256: 42d2561c7651407b5379baf07e33796007dc598b1d05b64a56597512d2bcd343

[official department hosted historical statutory compilation - PDF pages: 1251](#)

SHA-256: 1ec6e4c38dc1d524d1d40b1fd35d13ac1336c8fc549cef2af1bf723a999c822b

[bounded later judicial comparison - PDF pages: 12](#)

SHA-256: 65796ac5ab6f2d9f95730dd305a0494cae4dae99b5f476f3f338cc02bb5254b5

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