(1941) 03 CAL CK 0015

In the Calcutta High Court

Case No : Reference No. 14 of 1940

BENGAL FLOUR MILLS CO., LTD., APPELLANT

Vs

RE. RESPONDENT

Date of Decision : 11-03-1941

Acts Referred:

Citation : (1941) 9 ITR 568

Hon'ble Judges : Derbyshire, C.J;Panckridge, J

Bench : Division Bench

Judgement

DERBYSHIRE, C.J. - The Reference in the present case is concerned with the right and claim of a successor company to take advantage of the unabsorbed depreciation allowance of its predecessor.

The facts are fully set out in the letter of Reference. The question that is asked is -

"Whether on the facts and circumstances of the case the income tax officer was correct in law in refusing to carry forward the sum of Rs. 77,060 as unabsorbed depreciation into the 1938-39 assessment of the Bengal Flour Mills Company, Limited ?"

This matter has been fully discussed in the Reference made in respect of the assessment of the Indian Iron and Steel Company Limited in which we have just given our opinion. Following on the opinion that we have given in that case and for the reasons we have given, the answer to the question asked here must be in the affirmative, namely, that the income tax Officer was correct in law in refusing to carry forward the sum of Rs. 77,060 as unabsorbed depreciation into the 1938-39 assessment of the Bengal Flour Mills Company Limited.

PANCKRIDGE J. - I agree.

Reference answered in the affirmative.

