

Reassessment order couldn't be termed as void even if requisite SC directions not complied with; SC dismissed SLP

June 15, 2018 | **[2018] 94 taxmann.com 84 (SC)**

IT: SLP dismissed against High Court's order that non-compliance of direction of Supreme Court in GKN Driveshafts (India) Ltd. v. ITO [2002] 125 Taxman 963 that on receipt of objection given by assessee to notice under section 148, Assessing Officer is bound to dispose of objections by passing a speaking order, would not make reassessment order void ab initio

■ ■ ■

[2018] 94 taxmann.com 84 (SC)

SUPREME COURT OF INDIA

Home Finders Housing Ltd.

v.

Income-tax officer, Corporate Ward 2(3)*

ROHINTON FALI NARIMAN AND A.M. KHANWILKAR, JJ.
SPECIAL LEAVE TO APPEAL (C) NO. 12721 OF 2018†
MAY 18, 2018

Section 148, read with section 147, of the Income-tax Act, 1961 - Income escaping assessment - Issue of notice for (General) - Assessing Officer noticed that income chargeable to tax had escaped assessment and he initiated reassessment under section 147 - Assessee raised objections - However, Assessing Officer without giving disposal to objections of assessee, passed reassessment order - Assessee challenged reassessment order before High Court on ground that by not passing a specific order after receiving objections, Assessing Officer violated law declared by Supreme Court in GKN Driveshafts (India) Ltd. v. ITO [\[2002\] 125 Taxman 963](#) that Assessing Officer should pass a speaking order taking into account objections for re-opening assessment under section 147, and resultantly, order was bad in law - High Court held that non-compliance of procedure indicated by Supreme Court would not make order void or non est and such a violation was a procedural irregularity which could be cured by remitting matter to authority - Whether SLP against impugned order was to be dismissed - Held, yes [Para 2] [In favour of revenue]

CASE REVIEW

Home Finders Housing Ltd. v. ITO [\[2018\] 93 taxmann.com 371 \(Mad.\)](#) [SLP dismissed].

Sushrit Parthasarathy, Adv. for the Petitioner. Ms. Rashmi Nandakumar, AOR for the Respondent.

ORDER

1. The Special Leave Petition is dismissed.
 2. Pending application stands disposed of.
- pooja

*In favour of revenue.

†Arising out of *Home Finders Housing Ltd. v. ITO* [2018] 93 taxmann.com 371 (Madras).