IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-13156-2016

Decided on : 08.07.2016

Gurcharan Singh ..... Petitioner

VERSUS

Principal Commissioner
of Income Tax-2, Ludhiana and others ..... Respondents

CORAM: HON'BLE MR. JUSTICE S.J. VAZIFDAR, ACTING CHIEF JUSTICE

HON'BLE MR. JUSTICE DEEPAK SIBAL

Present: Mr.Aman Bansal, Advocate, for the petitioner.

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S.J. VAZIFDAR, A.C.J. (Oral)

The petitioner has challenged an assessment order in respect of the assessment year 2014-15 to the extent that it adds an amount of Rs.5,94,202/- on account of interest on compensation in respect of land acquired from him under Section 56(viii) of the Income Tax Act, 1961 as income from other sources to his total income. The petitioner claims that this amount was towards compensation and not towards interest. In this regard, he relies upon a purported clarification dated 09.02.2016 (Annexure P-6) from the office of the Competent Authority-cum-District Revenue Officer, Ludhiana. The letter states that the component of enhanced compensation was wrongly mentioned as interest in the award under Section 20F of the Railways Act, 1989.

Several issues arise in this regard including a question of law which is pending before the Tribunal in another matter. Moreover, whether the purported clarification issued by the competent authority was validly issued or not and whether it is factually correct or not, would also require consideration. The petitioner must, therefore, avail the alternate remedy of filing an appeal under the Income Tax Act, 1961.

The petition is accordingly disposed of.

[S.J. VAZIFDAR]
ACTING CHIEF JUSTICE

08.07.2016
shamsher

[DEEPAK SIBAL]
JUDGE