

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

SPECIAL LEAVE PETITION (CIVIL) Diary No. 13205/2025

[Arising out of impugned final judgment and order dated 12-09-2024 in ITA No. 88/2024 passed by the High Court of Punjab & Haryana at Chandigarh]

PR. COMMISSIONER OF INCOME TAX-1, CHANDIGARH Petitioner(s)

VERSUS

M/S. V-CON INTEGRATED SOLUTIONS PVT. LTD. Respondent(s)

IA No. 79463/2025 - CONDONATION OF DELAY IN FILING

Date : 04-04-2025 This matter was called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE SANJAY KUMAR
HON'BLE MR. JUSTICE K.V. VISWANATHAN

For Petitioner(s) Mr. S Dwarakanath, A.S.G.
 Mr. Rupesh Kumar, Sr. Adv.
 Mr. Raj Bahadur Yadav, AOR
 Mr. Anmol Chandan, Adv.
 Mr. Kartikeya Asthana, Adv.
 Mr. Rajeev Kumar Ranjan, Adv.

For Respondent(s)

UPON hearing the counsel, the Court made the following
O R D E R

Delay condoned.

In our opinion, the order passed by the High Court, which upheld the decision of the Tribunal, is correct on facts and in law. This case does not involve a failure by the assessing officer to conduct an investigation. Instead, according to the Revenue, it is a case where the assessing officer having made inquiries erred by not making additions.

The assessee does not have control over the pen of the Assessing Officer. Once the Assessing Officer carries out the investigation but does not make any addition, it can be taken that he accepts the plea and stand of the assessee.

In such cases, it would be wrong to say that the Revenue is remediless. The power under Section 263 of the Income Tax Act, 1961, can be exercised by the Commissioner of Income Tax, but by going into the merits and making an addition, and not by way of a remand, recording that there was failure to investigate. There is a distinction between the failure or absence of investigation and a wrong decision/conclusion. A wrong decision/conclusion can be corrected by the Commissioner of Income Tax with a decision on merits and by making an addition or disallowance.

There may be cases where the Assessing Officer undertakes a superficial and random investigation that may justify a remit, *albeit* the Commissioner of Income Tax must record the abject failure and lapse on the part of the Assessing Officer to establish both the error and the prejudice caused to the Revenue.

Recording the aforesaid, the special leave petition is dismissed.

Pending application(s), if any, shall stand disposed of.

(BABITA PANDEY)
AR-CUM-PS

(R.S. NARAYANAN)
ASSISTANT REGISTRAR