



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

203

Date of Decision: 15.10.2025

1. ITR-24-2002

M/S PUNJAB STATE SMALL INDUSTRIES CORP LTD.

...Petitioner

Versus

C.I.T.,PATIALA

...Respondent

2. ITR-4-2010

PUNJAB STATE SMALL INDUSTRIES CORPN. LTD. CHD

...Petitioner

Versus

COMMISSIONER OF INCOME TAX, PATIALA

...Respondent

**CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL
HON'BLE MS. HARPREET KAUR JEEWAN**

Present:- Ms. Aakriti, Advocate for the petitioner

Mr. Yogesh Putney, Sr. Standing Counsel with
Mr. Vaibhav Gupta, Advocate Jr. Standing Counsel
for the respondent

JAGMOHAN BANSAL, J. (ORAL)

1. As common issues are involved in the captioned petitions, with the consent of both sides, same are hereby disposed of by this common order. For the sake of brevity and convenience, facts are borrowed from **ITR-24-2002**.

2. Income Tax Appellate Tribunal vide order dated 22.07.2002 referred the matter to this Court to adjudicate following question:-

*“Whether on the facts and circumstances of the case, the
Income Tax Appellate Tribunal was right in law in having*

upheld in entirety the disallowance of the assessee's claim of a sum of Rs.8,00,063/- on account of demurrage and wharfage recovered from the assessee by the North, Western Railways, merely because a claim against the contractor was pending for arbitration?

3. Learned counsel for the petitioner expressed her inability to point out whether Arbitrator has adjudicated the matter with respect to liability of detention and wharfage charges which petitioner had to pay on account of lapse of the contractor.

4. Mr. Putney submits that petitioner did not make payment in the relevant assessment year and had furnished only bank guarantee. Status of bank guarantee is not known.

5. In the absence of evidence to the effect whether petitioner had actually borne incidence of detention and wharfage charges or not, it would not be appropriate to adjudicate the question. Accordingly, we find it appropriate to dispose of the instant petition with liberty to move appropriate application within three months if cause survives.

6. Disposed of in above terms.

7. Pending application(s), if any, also stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

(HARPREET KAUR JEEWAN)
JUDGE

October 15, 2025

Deepak DPA

Whether Speaking/reasoned: Yes/No
Whether Reportable: Yes/No