

## Appendix 7

## Chapter III: Corporation Tax

(Referred to in para 3.6)

(Rs. in lakh)

MISTAKES IN ADOPTION OF CORRECT FIGURES					
SI No.	Assessee company/ CIT charge	Assessment year	Type of assessment	Nature of mistake	Tax effect
1	2	3	4	5	6
1	M/s. Hindustan Petroleum Corporation Ltd., Mumbai, City-I	1999-2000	Scrutiny	An amount of Rs.10.79 crore disallowed by the assessing officer on account of 'capital work in progress written off' was not added back	377.69
2	M/s. Airport Authority of India, Delhi-I	2000-01	-do-	While computing the total income, an amount of Rs.0.29 crore only was added back instead of Rs.7.15 crore, representing wealth tax	264.14
3	M/s. Modi Alkalies & Chemicals Ltd., Alwar, Rajasthan	1998-99	-do-	While computing the total income, the amount of Rs.0.94 crore only was added back instead of Rs.7.94 crore representing difference in rates	245.00
4	M/s. Mafatlal Industries Ltd., City-VI, Mumbai	1997-98	-do-	The amount of loss was adopted at Rs.117.06 crore instead of Rs.111.52 crore	238.05
5	M/s. Mafatlal Industries Ltd., City-VI, Mumbai	1996-97	-do-	Incorrect allowance of brought forward loss of Rs.41.32 crore instead of the correct amount of Rs.36.72 crore	211.50
6	M/s. Hutchison Essar Telecom Ltd., Delhi-IV	2000-01	-do-	The amount of Rs.328.25 crore was incorrectly added back instead of Rs.333.55 crore towards disallowed expenditure	203.80
7	M/s. Mafatlal Industries Ltd., City-VI, Mumbai	1994-95	-do-	While computing income an amount of Rs.0.69 crore only was added back instead of Rs.3.69 crore representing excise and custom duty	155.25
8	M/s. KCP Sugars & Industries Ltd., Chennai-I	2000-01	-do-	Incorrect allowance of deduction of Rs.3.74 crore claimed towards 'incentive received on levy sugar sales'	143.80

9	M/s.Gillette India Ltd., Alwar, Rajasthan	1998-99	-do-	An amount of Rs.1.18 crore arrived at as the amount to be disallowed as a result of rectification was omitted to be added back	134.09
10	M/s. The Motor General Finance, Delhi-VI	1999-2000	-do-	Rental income of Rs.3.33 crore was not added back in the total income	133.00
11	M/s. Triumph International Finance Ltd., Mumbai, Central-IV	1998-99	-do-	The amount of Rs.3.89 crore representing unexplained cash credit was incorrectly taken as Rs.2.17 crore	103.10

**Appendix 8**  
(Referred to in paras 3.7, 3.8)

(Rs. in lakh)

<b>MISTAKES IN APPLYING CORRECT RATE OF TAX, LEVY OF SURCHARGE</b>					
Sl No.	Assessee company/ CIT charge	Assessment year	Type of assessment	Nature of mistake	Tax effect
1	2	3	4	5	6
<b>Para.3.7</b>					
1	M/s.Wockhardt Life Science Ltd., Mumbai, Central-I	1994-95	-do-	Rate of tax incorrectly applied at 40 per cent as against the correct rate of 45 per cent	125.11
<b>Para.3.8</b>					
2	M/s. Information Technologies India Ltd,Central-II, Delhi	2000-01	-do-	The amount of surcharge was incorrectly adopted at Rs.0.21 crore instead of Rs.2.08 crore	278.41
3	M/s.Yash Organics Ltd., Ahmedabad-IV	Block period 2.8.1996 to 11.2.2000	-do-	Surcharge was not levied	122.29
4	M/s.India Securities Ltd., Mumbai, Central circle-III	1994-95	-do-	-do-	103.00

**Appendix 9**  
**(Referred to in para 3.9)**

(Rs in lakh)

<b>AVOIDABLE MISTAKES IN COMPUTATION OF BUSINESS INCOME</b>					
<b>Sl. No.</b>	<b>Assessee company/ CIT charge</b>	<b>Assessment year</b>	<b>Type of assessment</b>	<b>Nature of mistake</b>	<b>Tax effect</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1	M/s.Jagson International Ltd., Delhi-II	1996-97, 1998-99, 1999-2000 and 2001-02	Scrutiny	Excess allowance of deduction of Rs.16.07 crore under section 33AC	950.76
2	M/s. CEAT Financial Services., Kolkata-II	2000-01	-do-	Incorrect allowance of short term capital loss of Rs.18.29 crore resulting in excess computation of loss	704.08
3	M/s. TN Urban Finance Infrastructure Development Corporation Ltd., Chennai-I	2000-01 and 2001-02	-do-	Incorrect allowance of proportionate deduction Rs.5.60 crore towards interest on short term deposits, front-end fee etc., while computing deduction in respect of profits from long term finance.	560.39
4	M/s.Mahavir Aluminium Ltd., Delhi-II	1999-2000	-do-	Interest of Rs.11.08 crore was omitted to be offered to tax	501.80
5	M/s.Indo Nippon Chemicals Co.Ltd., Mumbai, City-I	1994-95	Summary	Unexplained cash credit of Rs.3.02 crore was omitted to be included in the income.	472.71
6	M/s.Tamilnadu Newspring and Papers Ltd., Chennai-I	1994-95 and 1995-96	Scrutiny	Interest income totalling Rs.6.16 crore was omitted to be taxed	373.74
7	M/s.M.M.T.C. Ltd., Delhi-II	2000-01	-do-	An amount of Rs.4.68 crore towards expenses related to earning the exempted income which was disallowed was nevertheless omitted to be added back in income	290.71
8	M/s.Pawan Hans Helicopter Ltd., Delhi-V	1999-2000	-do-	Non payment of tax on distributed profits of Rs.14.79 crore .	267.11
9	M/s.Godrej Boyce Manufacturing Co., Mumbai-VI	1997-98	-do-	Incorrect allowance of deduction of Rs.3.48 crore towards advance licence fees	203.37
10	M/s.Tata Chemicals Ltd., City-II, Mumbai	1998-99	-do-	Deferred revenue expenditure of Rs.3.53 crore was claimed and incorrectly allowed	199.00
11	M/s. Pawan Hans	1999-2000	-do-	Proportionate administrative expenses of Rs.3.64 crore	194.23

	Helicopters Delhi-V			attributable to exempted income were not disallowed	
12	M/s. PENCH Power Ltd., Delhi-V	1999- 2000	-do-	Interest income of Rs.2.80 crore was not included in the taxable income	149.31
13	M/s. Sterling Holiday Resorts (I) Ltd., Chennai-III	1997-98	-do-	Deduction of Rs.3.49 crore was towards technical know how fee, whereas the expenditure was actually incurred for payment towards professional fee of Golf Course at Noida	136.27
14	M/s. Samsung India Electronics Ltd., Delhi-III	2000-01	-do-	An amount of Rs.0.26 crore was added back instead of Rs.2.63 crore, disallowed towards purchase of raw material	135.10
15	M/s. Nirmal Bang Securities Pvt. Ltd., Mumbai, Central-IV	2000-01	-do-	Incorrect allowance of exemption of income on transfer of units of mutual fund amounting to Rs.3.31 crore.	127.00
16	M/s. Rolta India Ltd., City-VIII, Mumbai	1998-99	-do-	Incorrect allowance of capital expenditure of Rs.3.62 crore	126.62 (P)
17	M/s. Crescent Marine Venture, Chennai-I	1995-96	Return not filed	Incorrect grant of tax credit of Rs.0.30 crore towards TDS even when no TDS certificates were filed along with the 'Return' in response to notice under section 148	125.23
18	M/s. Basti Sugar Mills Co. Ltd., Delhi-VI	1999- 2000	Scrutiny	Excise duty of Rs.3.45 crore was omitted to be added back in the value of closing stock	120.79
(P)* denotes Potential tax					

**Appendix 10**  
**(Referred to in para 3.10 & 3.11)**

(Rs.in lakh)

<b>CAPITAL EXPENDITURE INCORRECTLY ALLOWED/ INCORRECT ALLOWANCE OF PRELIMINARY/ PRIOR PERIOD EXPENSES</b>					
<b>Sl. No.</b>	<b>Assessee company/ CIT charge</b>	<b>Assessment year</b>	<b>Type of assessment</b>	<b>Nature of mistake</b>	<b>Tax effect</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Para 3.10</b>					
1	M/s. Eicher Limited, Delhi-IV	2000-01 and 1999-2000	Scrutiny	Incorrect allowance of capital expenditure of Rs.19.81 crore relating to expansion of capacity in various segments manufacturing/production of tractors/motorcycles.	847.06
2	M/s.Land Base (India) Ltd.,Delhi-II	1996-97	-do-	Incorrect allowance of capital expenditure of Rs.1.84 crore which was towards 'project expenditure'	139.31
3	M/s. Patheja Forgings & Auto Parts Manufacturing Ltd., City-IV, Mumbai	1994-95	-do-	Incorrect allowance of deduction of interest expenditure of Rs.1.32 crore on borrowed capital	106.36
<b>Para.3.11</b>					
4	M/s.Indian Railway Finance Corporation Ltd., Delhi-IV	2000-01	-do-	Prior period expenses Rs.6.98 crore incorrectly charged to profit and loss account	268.69 (P)
(P)* denotes Potential tax					

**Appendix 11**  
**(Referred to in para 3.12 )**

(Rs. in lakh)

<b>INCORRECT ALLOWANCE OF PROVISIONS</b>					
Sl. No.	Assessee company/ CIT charge	Assessment year	Type of assessment	Nature of mistake	Tax effect
1	2	3	4	5	6
1	M/s.Damodar Valley Corporation, Kolkata-III	1997-98	Scrutiny	Unascertained liability of Rs.13.80 crore towards provision for bad and doubtful debts and other expenses incorrectly allowed	990.97
2	M/s.Kerala Financial Corporation, Trivandrum, Kerala	1995-96	-do-	Incorrect allowance of bad debts of Rs.6.82 crore in excess of the credit balance available under 'Provision for Bad and doubtful debts.	562.65
3	M/s..ICICI Ltd., City-III, Mumbai	1999-2000	Scrutiny	Incorrect allowance of deduction of Rs.51.31 crore against the correct amount of Rs.42.30 crore, admissible to the financial corporations	476.65
4	M/s.Central Bank of India, City-II, Mumbai	1997-98	-do-	Excess allowance of deduction on account of contribution to approved superannuation fund of Rs.11.01 crore	473.21
5	M/s. Madras Fertilizers Ltd., Chennai-III	1996-97	-do-	Incorrect write off of bad debts of Rs.4.75 crore towards subsidy claim	218.69
6	M/s.Bannari Amman Sugars Ltd., Coimbatore	1996-97	-do-	Unpaid liability of Rs.3.42 crore towards sales tax was incorrectly allowed	157.37
7	M/s.Simplex Engineering & Foundary Works (P)Ltd., City-III, Mumbai	1997-98	-do-	Incorrect allowance of bad debts amounting to Rs.2.20 crore	116.00
8	M/s. Garden Reach Ship Builders & Engineers Ltd., Kolkata	2000-01	-do-	Incorrect allowance of unascertained liability Rs.2.97 crore towards doubtful debts	114.39
9	M/s.Sony India (Pvt) Ltd., Delhi-III	1999-2000	-do-	Incorrect allowance of unascertained liability of Rs.1.97 crore towards "warranty"	105.20

10	M/s.Telecommu nications Consultants India Ltd., Delhi-VI	1999-2000	-do-	Incorrect allowance of provision of Rs.1.95 crore on account of revision of pay scales	104.21
11	M/s. Kirloskar Ferrous Industries Ltd. City-V, Pune	1998-99	-do-	Incorrect allowance of unpaid liability of Rs.3.40 crore towards lease rent	118.83
12	M/s.Ford India Ltd., Chennai-I	1998-99	-do-	An amount of Rs.3.16 crore towards ‘ product warranty’ which represented merely estimated contingent liability, was incorrectly allowed	110.58
13	M/s.BNP Paribas, Mumbai ( International Taxation)	2000-01	-do-	Provision of Rs.2.25 crore towards doubtful loans was not added back to income	108.00
14	M/s.Standard Chartered Bank, City-I, Mumbai	1999-2000	-do-	Incorrect allowance of provision of Rs.2.24 crore	107.47



**Appendix 12**  
**(Referred to in para 3.14 & 3.15)**

(Rs. in lakh)

<b>INCORRECT COMPUTATION, CARRY FORWARD AND SET OFF OF LOSSES / MISTAKES IN GIVING EFFECT TO APPELLATE ORDERS</b>					
SI No.	Assessee company/ CIT charge	Assessment year	Type of assess- ment	Nature of mistake	Tax effect
1	2	3	4	5	6
<b>Para.3.14</b>					
1	M/s. Kirloskar Investment and Finance Ltd., Bangalore Central	1999-2000	Scrutiny	While computing the income, total loss of Rs.50.84 crore was adopted instead of current loss of Rs.34.44 crore	505.00
2	M/s. TN Cement Corporation Ltd., Chennai-I	1998-99	-do-	Incorrect set off of carry forward losses of Rs.8.41 crore	167.75
3	M/s. Microland Limited., Bangalore Central	2000-01	-do-	Loss determined without setting off capital gains of Rs.4.10 crore	157.99
4	M/s. Govind Nagar Sagar Ltd., Delhi-IV	2000-01	-do-	Incorrect carry forward of loss of Rs.3.78 crore, even though the return was filed late	116.49
<b>Para 3.15</b>					
5	M/s. Bannari Amman Sugars Ltd., Coimbatore-I	1996-97	-do-	Deletion of Rs.2.81 crore made towards valuation of closing stock should have been withdrawn	129.06

**Appendix 13**  
**(Referred to in para 3.17)**

(Rs. in lakh)

<b>MISTAKES IN COMPUTATION OF EXPORT PROFIT/INCORRECT DEDUCTION IN RESPECT OF NEW INDUSTRIAL UNDERTAKINGS</b>					
<b>Sl No.</b>	<b>Assessee company/ CIT charge</b>	<b>Assessment year</b>	<b>Type of assessment</b>	<b>Nature of mistake</b>	<b>Tax effect</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Para.3.17</b>					
1	M/s.Maruti Udyog Ltd., Delhi-II	1999-2000	Scrutiny	Excise duty of Rs.10.44 crore was omitted to be included in the total turnover of the business	557.10
2	M/s. V.S. Dempo and Company, Karnataka, Panaji	1996-97	-do-	90 percent of other receipts amounting to Rs.3.17 crore was not reduced from the profits	162.00
3	M/s. Wall Street Finance Ltd. City IX Mumbai	1995-96 and 1997-98 to 2000-01	-do-	Incorrect allowance of Rs.162.00 lakh towards profit from exports as the assessee was not engaged in export out of India.	162.00
4	M/s. India Tourism Development Corpn., Ltd., Delhi-IV	1998-99	-do-	Irregular allowance of deduction of Rs.2.53 crore towards profits derived from services provided to foreign tourists	142.38
5	M/s. Maruti Udyog Ltd., Delhi-II	1998-99	-do-	90 percent of interest income of Rs.76.91 crore was not reduced from the profits	118.65
6	M/s.Allana Sons Ltd., City-I, Mumbai	1999-2000	-do-	Incorrect allowance of deduction of Rs.3.98 crore as against Rs.1.82 crore	113.46
7	M/s.Avanthi Leathers Ltd., Hyderabad-I	1998-99	-do-	90 percent of job work receipts, discount, packing and forwarding charges amounting to Rs.4.72 crore were not reduced from the profits	103.95

**Appendix 14**  
(Referred to in para 3.19,3.20 & 3.21)

(Rs. in lakh)

<b>INCORRECT COMPUTATION OF INCOME UNDER SPECIAL PROVISIONS OF THE ACT/ IRREGULARITIES IN PAYMENT OF INTEREST ON REFUNDS</b>					
SI No.	Assessee company/ CIT charge	Assessment year	Type of assessment	Nature of mistake	Tax effect
1	2	3	4	5	6
<b>Para.3.19</b>					
1	M/s.D.L.F. Power Ltd., Delhi-IV	2001-02	Scrutiny	Provision of Rs.13.29 crore towards doubtful debts was not added back to the income	146.96
2	M/s. S.R.F.Ltd., Delhi-III	2000-01	-do-	Provision of Rs.10.43 crore towards doubtful debts/advances was not added back to the income	120.44
<b>Para 3.20</b>					
3	M/s.Hindalco Industries Ltd., City-VI, Mumbai	1997-98	-do-	While quantifying and issuing refund, refund amounting to Rs.2.11 crore allowed earlier, was not adjusted	211.00
<b>Para.3.21</b>					
4	M/s.Shipping Corporation of India Ltd., City-V, Mumbai	2001-02	-do-	Incorrect payment of interest of Rs.0.52 crore as against Rs.4.92 crore on refund	439.56
5	M/s. S.K.F. Bearing India Ltd., City-IV, Mumbai	1996-97	-do-	Irregular grant of interest on refund amounting to Rs.2.14 crore	136.82

**Appendix 15**  
**(Referred to in para 3.23 & 3.24)**

(Rs. in lakh)

<b>NON LEVY/ SHORT LEVY OF INTEREST / NON-DEDUCTION OF TAX AT SOURCE/NON-REMITTANCE TO GOVT.</b>					
<b>Sl. No.</b>	<b>Assessee company/ CIT charge</b>	<b>Assessment year</b>	<b>Type of assessment</b>	<b>Nature of mistake</b>	<b>Tax effect</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Para 3.23</b>					
1	M/s. Gujarat Mineral Corporation development Corporation Ltd., Ahmedabad-II	1995-96	Scrutiny	Incorrect levy of interest of Rs.21.11 crore instead of Rs.27.69 crore	657.89
2	M/s. Federal Bank Ltd., Cochin, Kerala	1995-96	-do-	Incorrect levy of interest of Rs.0.20 crore as against the correct amount of Rs.3.41 crore	320.82
3	M/s. Sterling Holiday Resorts (P) Ltd., Chennai-III	1993-94 to 1995-96	-do-	Incorrect levy of interest of Rs.2.62 crore as against the correct amount of Rs.5.69 crore	307.20
4	M/s. Al Falah Blossom Ltd., Delhi-I	1997-98	-do-	Non levy of interest for non-payment of demand	178.15
5	M/s. Crescent Marine Ventures Ltd., Chennai-I	1995-96	-do-	Non levy of interest for the period December 1995 to September 2000	166.55
6	M/s. IGGI Resorts International Ltd., Chennai-I	1996-97	-do-	Interest for non filing of return amounting to Rs.1.44 crore was omitted to be levied	144.17
7	M/s. Information Technology (India) Ltd., Central-II, Delhi	1998-99	-do-	Non levy of interest on the demand payable as a result of revision of assessment	128.34
8	M/s. M.L.G. Industries Ltd., Delhi-II	1993-94	-do-	Non levy of interest u/s 220(2)	109.66
9	M/s. Hongkong & Shanghai Banking Corporation Ltd., Mumbai-DIT (International Taxation)	2000-01	-do-	Non levy of interest for default in payment of advance tax	108.45
<b>Para 3.24</b>					
10	M/s. J.C.T. Ltd., Kolkata, IV	1995-96	Summary	Omission to take into account TDS refund of Rs.1.62 crore	162.28

**Appendix 16**  
**(Referred to in para 3.27)**

(Rs. in lakh)

<b>MISTAKES IN SUMMARY ASSESSMENTS MADE FROM JUNE 1999 ONWARDS</b>					
Sl No	Assessee company/ CIT charge	Assessment year	Nature of mistake	Tax effect	Reaction of the department
1	2	3	5	6	7
1	M/s.Instrumentation Ltd., Kota,Rajasthan	2001-02 and 2002-03	Incorrect allowance of deduction of Rs.14.76 crore towards provident fund	994.58	Accepted and mistake rectified
2	M/S. Alstom Ltd., Chennai-I	1999-2000	'Non compete' consideration of Rs.27.22 crore was not included in the income	952.71	Not accepted
3	M/s.Rajesh Jhaveri Stock, Ahmedabad-I	2001-02	Incorrect allowance of bad debt of Rs.12.86 crore written off	621.23	Not accepted
4	M/s. Oriental Insurance Co., Delhi-VI	2000-01	Incorrect payment of interest on refund	586.03	Reply awaited
5	M/s.Tamilnadu Power and Infrstructure Development Corporation Ltd., Chennai-I	2000-01 and 2001-02	Incorrect allowance of deduction totalling Rs.9.97 crore towards proportionate finance charges on hire purchase loan and lease income	486.98	Reply awaited
6	M/s.Oriental Insurance Co. Ltd.,Delhi-VI	1999-2000	Delay in issue of refund resulting in excess payment of interest	480.69	Reply awaited
7	M/s.Krishna Vinyl Ltd., Mumbai, Central-II	1999-2000	Incorrect levy of interest for default in payment of advance tax of Rs.8.26 crore against the correct amount of Rs.12.22 crore	395.81	Accepted and remedial action initiated
8	M/s.Tamil Nadu Power Finance and Infrastructure Development Corporation Ltd.,	2000-01 and 2001-02	Interest income totalling Rs.7.41 crore was omitted to be included in the income	324.45	Reply awaited
9	M/s. Kalpavriksha Marketing Pvt. Ltd., Thane, Mumbai	2002-03	Loss of Rs.8.06 crore taken into account instead of the correct figure of Rs.16.08 crore	286.29 (P)	Remedial action taken
10	M/s.Optel Communication Ltd., Bhopal	1999-2000	Incorrect allowance of 'prior period' expenses of Rs.8.13 crore	284.69	Accepted and Notice u/s 148 issued
11	M/s.The Nedungdi Bank Ltd., Kerala, Calicut	2000-01	Incorrect allowance of provision of Rs.7.27 crore towards bad and doubtful debts	283.00	Remedial action taken and additional demand raised

12	M/s.Essel International Ltd.	2002-03	Incorrect allowance of capital loss on sale of investment of Rs.7.50 crore	265.96 (P)	Reply awaited
13	M/s.Indraprastha Gas Ltd., Delhi-IV	2001-02 and 2002-03	Incorrect allowance of provision of Rs.7.20 crore representing difference in closing stock of compressed natural gas	263.52	-do-
14	M/s.Textool Company Ltd,Coimbatore-II	2001-02	Short computation of capital gain by Rs.4.53 crore	228.79	Accepted and notice u/s 148 issued
15	M/s.Goetze (India) Ltd., Delhi-IV	2001-02	Incorrect set off of brought forward losses by Rs.4.77 crore	214.97	
16	M/s.Rajasthan State Warehousing Corp Ltd., Jaipur-II	2002-03	Incorrect apportionment of common expenses of Rs.7.82 crore	199.76 (P)	Accepted and remedial action taken
17	M/s.Golden Eagle Communication (P) Ltd., Chennai-I	1999-2000	Short term capital gain on Rs.5.40 crore on 'slump sale' was omitted to be assessed	188.87	Mistake rectified and additional demand raised
18	M/s.TamilNadu Transport Corporation Ltd., Coimbatore-I	2001-02	Incorrect allowance of liability of Rs.5.36 crore	187.73	Not accepted
19	M/s. Electronics Corporation of India Ltd., Andhra Pradesh, Hyderabad-I	1999-2000	Loss was incorrectly adopted at Rs.48.73 crore instead of Rs.43.41 crore	186.09 (P)	Accepted and remedial action completed
20	M/s.East Coast Construction India Ltd.	2000-01	Incorrect allowance of unascertained liability of Rs.2.42 crore	158.20	Assessment reopened and addl. Demand raised.
21	M/s.Shriram Chits and Investments Ltd., Chennai-III	1999-2000	Interest for default in payment of advance tax short levied	149.79	Accepted
22	M/s. Ford India Ltd., Chennai-I	1999-2000	Provision of Rs.4.41 crore towards 'commitment' on account of tool cost/purchase components, incorrectly allowed	147.53	Not accepted
23	M/s.Shasun Chemicals and Drugs Ltd., Chennai-III	2001-02	Excess allowance of deduction of Rs.3.16 crore towards Export profit	124.94	Reply awaited
24	M/s.Barar Industries Ltd., Cuttack	2001-02 and 2002-03	Incorrect allowance of expenditure of Rs.2.50 crore	116.75	Reply awaited
25	M/s.Mahindra Infrastructural Projects Ltd., City-III, Mumbai	1998-99	Incorrect treatment of short term capital gain as long term capital gain	110.00 (P)	Not accepted, but remedial action taken

26	M/s.Mahindra Infrastructural Projects Ltd, Mumbai-iii	1998-99	Incorrect treatment of short term capital gain as long term capital gain	109.78 (P)	Remedial action taken
27	M/s.RPG Transmission Ltd., Chennai-III	1999-2000	Compensation of Rs.3.00 crore received by the assessee from the Electricity Board towards compensation for delay in supply of transmission was not offered to tax	105.15	Notice u/s 148 issued.
28	M/s.L.C.C. Infotech Ltd., Kolkata-I	2001-02	Incorrect allowance of deduction of Rs.1.98 crore in respect of profits as there was no evidence to corroborate that it was received in convertible foreign exchange	101.22	Not accepted
29	M/s. Elgi Equipments (P) Ltd. Coimbatore-I	1999-2000 and 2000-01	Incorrect allowance of capital expenditure of Rs.2.81 crore	100.84	Accepted and notice u/s 148 issued

**Appendix 17**  
**(Referred to in para 3.28)**

(Rs. in lakh)

<b>CASES OF OVER ASSESSMENT/OVER CHARGE</b>					
Sl. No.	Assessee company/ CIT charge	Assessment year	Type of assessment	Nature of mistake	Tax effect
1	2	3	4	5	6
1	M/s.Prudential Capital Market Ltd., Kolkata-III	1997-98	Scrutiny	The rate of surcharge was incorrectly adopted at 15 percent instead of the correct rate of 7.5 per cent	614.68
2	M/s. Finolex Industries Ltd., City-V, Pune	1996-97	-do-	Loss was under assessed by Rs.6.70 crore as a result of mistakes in assessments	308.00
3	M/s.Central Bank of India, City-II, Mumbai	1998-99	-do-	The figure of accrued interest was adopted at Rs.57.98 crore instead of Rs.53.58 crore	154.00