(1990) 05 DEL CK 0021

In the Delhi High Court

Case No : Wealth-tax Case No. 118 of 1989

Commissioner of Wealth Tax APPELLANT

Vs

Chander Bala Modi RESPONDENT

Date of Decision : 23-05-1990

Acts Referred:

Citation : (1991) 192 ITR 656

Hon'ble Judges : C.L. Choudhary, J;B.N. Kirpal, J

Bench : Division Bench

Advocate : Rajendra, Adv S.K. Aggarwal, for the Appellant;

Judgement

B.N. Kirpal, J.—In respect of the assessment year 1981-82, the petitioner seeks reference of the following two questions :

"1. Whether the Income Tax Appellate Tribunal was correct in law and on facts in holding that the valuation of shares of Messrs. Indofil Chemicals Ltd., was to be made on yield basis and not in accordance with rule 1D of the Wealth-tax Rules, 1957 ?

2. Whether the Income Tax Appellate Tribunal was correct in law in holding that the value of shares of Messrs. Modipon Ltd., was to be taken as per rule 1 D of the Wealth-tax Rules when the shares of the said company were being quoted regularly in the stock exchange ?"

2. As regards question No. 1, the same is concluded by the decision of this court in the case of Sharbati Devi Jhalani v. CWT [1985] 159 ITR 549.

3. As regards question No. 2, the Tribunal itself has made a reference of the following question to this court :

"Whether the Income Tax Appellate Tribunal was correct in law in holding that the valuation of shares of Messrs. Modipon Ltd., has to be taken as per the provisions of rule 1-D of the Wealth-tax Rules ?"

4. The grievance of Shri Rajendra is that the latter portion of question No. 2 which was proposed has not been referred.

5. In our opinion, it is open to the court when hearing the reference u/s 256(1) to reframe the question to bring out the full scope and effect, if the court thinks it necessary. As we read the question which has already been referred, it is wide enough to incorporate in it the concept which is sought to be brought in by the question proposed by the Department. The Department will in no way be prejudiced.

6. The petition stands disposed of in the aforesaid terms. No costs.

