(1991) 02 AHC CK 0062

In the Allahabad High Court

Case No : Wealth-tax Reference No. 30 of 1978

Commissioner of Wealth-tax APPELLANT

Vs

Jagphool Narain RESPONDENT

Date of Decision : 05-02-1991

Acts Referred:
Wealth Tax Act, 1957 — Section 5(1)

Citation : (1991) 192 ITR 295

Hon'ble Judges : B.P. Jeevan Reddy, C.J;R.A. Sharma, J

Bench : Division Bench

Advocate : Vikram Gulati, for the Respondent

Judgement

B.P. Jeevan Reddy, C.J.—u/s 27(1) of the Wealth-tax Act, 1957, the Tribunal has stated the following question to this court:

"Whether, on the facts and in the circumstances of the case, the Appellate Tribunal was right in holding that Chintamani Bros., a firm engaged in printing and sale of cotton sarees, is an industrial undertaking within the meaning of Section 5(1)(xxxii) read with the Explanation to Clause (xxxii) of Section 5(1) of the Act and that the assessee''s interest therein was entitled to exemption from wealth-tax under the said provisions ?"

2. It is brought to our notice by learned standing counsel for the Revenue that this question is concluded by a decision of this court in Commissioner of Wealth Tax Vs. Radhey Mohan Narain, . It has been held therein that where the assessee was engaged in purchasing plain white cloth and converting it into printed bed-spreads, scarves, garments, etc., by a process of dyeing and printing, the unit constitutes an "industrial undertaking" within the meaning of Section 5(1)(xxxii) of the Wealth-tax Act. Following the said decision, the question referred is answered in the affirmative, i.e., in favour of the assessee and against the Revenue.

