(2004) 07 MP CK 0018

In the Madhya Pradesh High Court

Case No : IT Appeal No. 37 of 2001

Commissioner of Wealth Tax — APPELLANT

Vs

Late Lokendra Singh — RESPONDENT

Date of Decision : 29-07-2004

Acts Referred:
Wealth Tax Act, 1957 — Section 27(1)

Citation : (2004) 191 CTR 489 : (2005) 142 TAXMAN 412

Hon'ble Judges : A.M. Sapre, J;A.K. Tiwari, J

Bench : Division Bench

Advocate : R.L. Jain, for the Appellant; None, for the Respondent

Judgement

1. This is a reference made by the Tribunal u/s 27(1) of the WT Act for answering the question referred to this Court, which reads as under:

"Whether, on the facts and in the circumstances of the case including in particular the fact that part of the official residence of the ex-ruler of Ratlam which is the assessee-respondent, stood let out, the Tribunal is justified in law in holding that the assessee is entitled to exemption of the value of the said property in its entirety u/s 5(1)(iii) of the WT Act, 1957 ?"

2. We have heard the learned counsel for the parties.

3. At the outset we may take note of the fact and as rightly pointed out by learned counsel appearing for Revenue that the question referred to this Court stands answered by the Supreme Court in the case of MOHAMMAD ALI KHAN AND OTHERS Vs. COMMISSIONER OF WEALTH-TAX., in favour of the Revenue and against the assessee. In other words, the question referred to this Court for answer by the Tribunal referred supra having been answered by the Supreme Court in the case of Mohd. Ali (supra), there remains nothing for this Court to take note of any legal issues arising out of the case and answer the question referred in favour of the Revenue and against the assessee. Indeed, once the issue is settled by the Supreme Court decision, then no Court in the country has

jurisdiction to decide the issue except to decide the case in accordance with the law laid down by Supreme Court by virtue of Article 141 of Constitution of India.

4. Their Lordship while interpreting Section 5(1)(iii) of the WT Act inter aha, held that those buildings/immovable properties which are in possession of the assessee alone will be taken out from the consideration of assessing the net wealth of assessee, but the properties which are in possession of the various tenants out of which rents are being received by the assessee have to be included in the net wealth of the assessee.

We accordingly answer the question referred supra i.e., in favour of the Revenue and against the assessee. No costs.