
(1993) 05 P&H CK 0033

In the Punjab And Haryana At Chandigarh

Case No : Wealth-tax Reference No's. 1 and 2 of 1982

Commissioner of Wealth-tax

APPELLANT

Vs

Shri Jagdev Inder Singh

RESPONDENT

Date of Decision : 03-05-1993

Acts Referred:

Wealth Tax Act, 1957 — Section 5(1)

Citation : (1993) 114 CTR 296 : (1994) 209 ITR 169

Hon'ble Judges : G.C. Garg, J;A.L. Bahri, J

Bench : Division Bench

Advocate : R.P. Sawhney, for the Appellant; M.L. Puri, for the Respondent

Judgement

A.L. Bahri, J.—On the asking of the Revenue as well as the assessee, the Income Tax Appellate Tribunal referred questions of law along with the statement of case to this court. At the instance of the Revenue, the following question of law was referred :

"Whether, on the facts and in the circumstances of the case, the Tribunal was right in law in holding that the agricultural lands of the assessee were covered by the expression "business premises" as defined in the Schedule, Part I, Paragraph B, Rule 1(i) of the Wealth-tax Act, 1957, and thus exempt from charge of additional wealth-tax ?"

2. At the instance of the assessee, the following two questions were referred :

"(1) Whether, on the facts and in the circumstances of the case, the directions of the Tribunal to value the agricultural land on the basis of finally determined compensation without any discount and subject to a maximum limit of Rs. 9 per square yard ?

(2) Whether in view of the facts and circumstances of the case, the Tribunal was right in refusing to grant exemption u/s 5(1)(xviii) on account of land originally received as Military Grant ?"

3. The brief facts, on the basis of which these questions have been referred, may be noticed ;

The assessment year is 1974-75. The land of the assessee was acquired under the provisions of the Land Acquisition Act. On the basis of the award given by the Land Acquisition Collector, fixing the market value of the acquired land at the rate of Rs. 9 per square yard, the assets of the assessee were so determined. One of the questions referred was regarding treating the agricultural land so valued as "business premises" and thus exempt from charge of additional wealth-tax. As far as the question referred at the instance of the Revenue is concerned, this has already been answered against the Revenue in several judicial pronouncements of this court such as Commissioner of Wealth-tax Vs. Hari Singh, , Commissioner of Wealth-tax Vs. Smt. Devinder Kaur, and COMMISSIONER OF WEALTH-TAX Vs. JAIDEVINDER SINGH., . No detailed discussion on the question is necessary. While agreeing with the view already expressed by this court in the references aforesaid, we answer the question in affirmative, against the Revenue.

4. Again, with respect to the two questions referred at the instance of the assessee, question No. 2 stands covered by the earlier decision of this court in Wealth-tax References Nos. 6 and 7 of 1978f decided on January Commissioner of Wealth-tax Vs. S. Baldev Inder Singh, by a Division Bench of this court against the assessee. For the reasons recorded therein, we also answer the question in the affirmative against the assessee.

5. With respect to question No. 1 raised at the instance of the assessee, as reproduced above, counsel for the assessee argued on the basis of the relevant date for determining the value of the premises as defined u/s 2(q) of the Wealth-tax Act as well as while referring to the provisions of Section 7(1) of the Act that it should be the present value of the assets. As a matter of fact, the Tribunal has also presently fixed the value at the rate of Rs. 9 per square yard basing its decision on the award of the Land Acquisition Collector. We need not refer to the judgments cited by counsel for the assessee supporting that view of the Tribunal. However, one of the judgments to be simply noticed is Commissioner of Wealth-tax, Kolkata Vs. Smt. Anjamli Khan, . After hearing counsel for the parties, we are of the opinion that the question, as framed, does not arise in the facts and circumstances of this case. As and when the rate of Rs. 9 per square yard is altered in appeal, which is stated to be pending against the order of the Land Acquisition Collector, the question would arise either in rectification proceedings or in assessment proceedings for the year for treating the enhanced compensation amount as wealth and as to whether any discount is to be allowed or not. At this stage, as far as the assessment year 1974-75 is concerned, fixing the value of the assets at the rate of Rs. 9 per square yard, no question of law arises in the facts and circumstances of the case. Question No. 1 is answered accordingly.