(2001) 10 MAD CK 0087

In the Madras High Court

Case No : Tax Case No. 1686 of 1986 10 October 2001 A.Y. 1974-75

K. Marappa Gounder APPELLANT

Vs

CGT RESPONDENT

Date of Decision : 10-10-2001

Acts Referred:

Citation : (2002) 177 CTR 403 : (2003) 133 TAXMAN 305

Hon'ble Judges : R. Jayasimha Babu, J;A.K. Rajan, J

Bench : Full Bench

Advocate : N. Manoharan, for the Assessee Mrs. Chitra Venkataraman, for the Revenue, for the Appellant;

Judgement

R. Jayasimha Babu, J.

The question referred to us at the instance of the assessee is as to whether on the facts and in the circumstances of the case the Tribunal was justified in fixing the value of the land at Rs. 75,000 per acre without considering the sale deed dated 11-7-1975, wherein the value of 18 cents lying just opposite to the above said gifted land and comprising in a different sub-division of the same survey number as the gifted land was sold only for Rs. 1,600 per acre ? "

2. The assessment year is 1974-75. The gift made by the assessee to his son was on 29-3-1974, The extent of the gift by the assessee to his son is 2.325 acres of dry lands. The value of that property was shown to be Rs. 46,500, The Tribunal determined the true value of it at Rs. 75,000 after taking note of sale which the donor had effected on 26-3-1975, of 0.93 acres for Rs. 94,000. The Tribunal found that the rate per acre on that basis would be Rs. 1 lakh but that needed to be discounted as the sale was to the State Bank Staff Co-operative Society Building which had a colony adjacent to that land and so society was willing to pay a higher value. The Tribunal, therefore, fixed the value of the property at Rs. 75,000. The order of the Tribunal does not disclose any reference to any sale deed of 11-7-1975. This reference is in reality meant to question the

correctness of the order of the Commissioner which merely mentions that there is one sale of a tiny bit of land for Rs. 2,200 and that it is not at all comparable

3. The document itself has not been placed before us. If that figure of Rs. 1,600 is taken, it is clear that, that sale must have been gross under valuation as it is the case of the assessee that the gifted property was valued at the then existing guideline value. It is not the case of the assessee that the guideline value drastically came to be changed in a year''s time. On the other hand, there is evidence to show that the donor had sold less than 1/4th of the gifted extent at twice the amount at which the gifted property has been valued.

4. We, therefore, do not see any error in the order of the Tribunal. The question is, therefore, answered against the assessee and in favour of the revenue.

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