(1996) 09 DEL CK 0099

In the Delhi High Court

Case No : WT Ref. No. 6 of 1977

Smt. Krishna Lal APPELLANT

Vs

Commissioner of Wealth Tax RESPONDENT

Date of Decision : 24-09-1996

Acts Referred:

Citation : (1996) 09 DEL CK 0099

Hon'ble Judges : Y.K. Sabharwal, J;D.K. Jain, J

Bench : Division Bench

Advocate : B. Gupta and R. K. Chaufla, for the Appellant;

Judgement

By The Court

1. At the instance of the assessee, with reference to asst. yr. 1968-69, the question referred for the opinion of this Court is as under :

"Whether, on the facts and in the circumstances of the case, the Tribunal was justified in holding that the value of 804 preference shares of the New Bhopal Textile Mills Ltd. which the assessed owned was computable in accordance with r. 1C of the WT Rules only ?"

2. In Mrs. Prem Shamsher Singh Vs. Commissioner of Wealth Tax, , following the decision of the Supreme Court in Bharat Hari Singhania and others Vs. Commissioner of Wealth Tax (Central) and others, , this Court while dealing with the question pertaining to r. 1D of the WT Rules, 1957 held that the said Rule was applicable to the valuation of unquoted equity shares as it was mandatory in character and that the procedure prescribed in the said Rule had to be adhered to strictly and there could be no modification or adjustment in the balance sheet other than those provided in Expln. II to r. 1D. The ratio of the aforesaid cases would equally apply to r. 1C, dealing with preference unquoted shares. The language of r. 1C is more or less similar to the language used in r. 1D.

3. In view of the aforesaid, the question is answered in the affirmative, in favor

of Revenue and against the assessee. No costs.

