

Commissioner Of Income-Tax, Uttar ... vs Kunji Lal Gupta. (Decd. By Legal ... on 17 April, 1970)

Equivalent citations: [1971]81ITR474(SC)

Author: J.C. Shah

Bench: A.N. Grover, J.C. Shah

JUDGMENT

J.C. Shah, J.

1. The question submitted by the Tribunal for the opinion of the High Court of Allahabad was, "whether, on the facts and in the circumstances of this case, the sale proceeds of the bonus shares (received in respect of ordinary shares held by the assessee as a part of his stock-in-trade) is an income taxable under the Indian Income-tax Act ?"

2. The High Court was of the view that the sale proceeds of the bonus share? were not income taxable under the Indian Income-tax Act. In Commissioner of Income-tax v. Madan Gopal Radhey Lal , in dealing with a case in which an identical question fell to be determined, this Court took a different view and expressly overruled the judgment which is under appeal. The appeal is therefore allowed and the answer to the question will be in the affirmative. Having regard, however, to the circumstances there will be no order as to costs.