

Supreme Court of India

Commissioner Of Income Tax, ... vs N. Kishore Settlement on 19 January, 1998

Equivalent citations: 1999 236 ITR 35 SC, (1999) 9 SCC 159

Bench: S Agrawal, K Venkataswami, A Misra

ORDER

1. These appeals are covered by the judgment dated September 26, 1996, Civil Appeal No. 3180 of 1992 titled CIT v. Sakarlal Balabhai and Co. Ltd. , and connected matters wherein this court had set aside the orders passed by the High Court rejecting the applications of the Revenue filed under Section 256(2) of the Income-tax Act, 1961, and directed the Appellate Tribunal, Ahmedabad, to refer the questions of law in the different cases as specified hereinabove for the decision of the High Court and forward the same along with the statement of case and the relevant documents.

2. In the same terms these appeals are allowed and the orders of the High Court rejecting the applications of the Revenue filed under Section 256(2) are set aside and the Income-tax Appellate Tribunal, Ahmedabad, is directed to refer the following questions of law raised by the Revenue for the decision of the High Court and forward the same along with the statement of case and the relevant documents :

Whether, in law and on facts, the Appellate Tribunal is right in confirming the view taken by the Commissioner of Income-tax (Appeals) on directing the Income-tax Officer to recompute the capital gains on the basis of the principles laid down by the decision of the Supreme Court in the case of Srinivasa Setty ?

Whether, in law and on facts, the Appellate Tribunal is right in observing that it would make no difference in the methods of ascertaining the value of original shares as per option of the assessee and the value of the bonus shares in accordance with the principles laid down by the Supreme Court in the case of Srinivasa Setty and, therefore, the decision of the Commissioner of Income-tax (Appeals) was correct ?

3. The Tribunal will take appropriate steps to enable the High Court to dispose of the matters finally. The appeals are allowed accordingly. No order as to costs.