

A SATYA NAND MUNJAL
v.
COMMISSIONER OF GIFT TAX, (CENTRAL), LUDHIANA
(Civil Appeal No. 3917 of 2010 etc.)

B JANUARY 22, 2013

[D.K. JAIN AND MADAN B. LOKUR, JJ.]

C *Gift Tax Act, 1958 – ss. 16B and 16B (3) – Applicability of – Questions whether no interest u/s. 16B was chargeable and whether s. 16B(3) was applicable to the facts of the case – High Court had allowed the appeals relying on its judgment passed in two other appeals whereby it was held that assessee was liable to pay interest on the gift tax levied – On appeal, held: The matter is remitted back to High Court, in*
D *view of the fact that the judgment on which the High Court based its decision has been set aside by Supreme Court and that matter was remanded to the High Court for de novo consideration.*

E CIVIL APPELLATE JURISDICTION : Civil Appeal No. 3917 of 2010.

From the Judgment & Order dated 17.12.2008 of the High Court of Punjab and Haryana at Chandigarh in GTA No. 1 of 2001.

F WITH

C.A. Nos. 3916 & 3918 of 2010.

Rameshwar Prasad Goyal for the Appellant.

G Arijit Prasad, Anil Katiyar, B.V. Balram Das for the Respondent.

The Judgment of the Court was delivered by

MADAN B. LOKUR, J. 1. Civil Appeal No. 3917/2010
(Assessee: Mr. Satya Nand Munjal), Civil Appeal No. 3916/

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(CENTRAL), LUDHIANA [MADAN B. LOKUR, J.]

2010 (Assessee: Mr. Brij Mohan Lal Munjal) and Civil Appeal No. 3918/2010 (Assessee: Om Prakash Munjal) arise out of G.T.A. No. 1/2001, G.T.A. No. 4/2001 and G.T.A. No. 5/2001 respectively, all decided by the High Court of Punjab & Haryana on 17th December, 2008. The relevant Assessment Year is 1989-90.

2. The common substantial questions of law referred for consideration by the High Court, at the instance of the Revenue, in all the appeals reads as follows :-

“1. Whether, in the facts and in the circumstances of the case, the ITAT was right in law in holding that no interest under section 16B was chargeable in this case?

2. Whether, in the facts and in the circumstances of the case, the ITAT was right in law in holding that the provisions of section 16B(3) were applicable to this case.”

3. The High Court allowed the appeals on the basis of the common judgment and order rendered in G.T.A. No. 2/2001 and G.T.A. No. 3/2001 holding, inter alia, that since gift tax was leviable on the revocable transfer of equity shares by the assessee to M/s Yogesh Chandra & Brothers Associates, interest was liable to be paid by the assessee on the gift tax levied.

4. Feeling aggrieved by the judgment and order of the High Court, the assessees have preferred these appeals.

5. We have today set aside the order of the High Court passed in G.T.A. No. 3/2001 and G.T.A. No. 2/2001 and have remanded the matters back to the High Court for de novo consideration.

6. In view thereof, the judgment and order in appeal in these cases is also set aside. The matters are remanded to the High Court for fresh consideration on the merits of the case. The appeals are allowed but there will be no order as to costs.

K.K.T.

Appeals allowed.