

**(2002) 12 AHC CK 0142**

**Allahabad High Court**

**Case No:** WT Ref. No. 153 of 1987 11 December 2002

Dr. Garu Hari Yadupati Singhania

APPELLANT

Vs

CWT

RESPONDENT

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**Date of Decision:** Dec. 11, 2002

**Citation:** (2003) 131 TAXMAN 247

**Hon'ble Judges:** Yatindra Singh, J; M. Katju, J

**Bench:** Full Bench

**Advocate:** R.S. Agarwal, for the Assessee Bharatji Agrawal and A.N. Mahajan, for the Revenue, for the Appellant;

**Final Decision:** Disposed Of

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### **Judgement**

Yatindra Singh J.

Heard Shri R.S. Agarwal for the assessee and Shri Bhartji Agarwal and Sri A.N. Mahajan for the department.

2. This is a reference u/s 27(1) of the Wealth Tax Act and the following question has been referred to us for our opinion :

"Whether on the facts and in the circumstances of the case, the Appellate Tribunal was justified in law in upholding the view that the assessee was not entitled to the deduction of Rs. 6,43,625 representing the notional amount of capital gains tax ?"

3. This question has been considered by the Supreme Court in its decision [Bharat Hari Singhania and others Vs. Commissioner of Wealth Tax \(Central\) and others](#), . A Division Bench of our own High Court in [Shripati Singhai \(Ind.\) Vs. Commissioner of Wealth-tax](#), after considering the aforesaid Supreme Court decision has held that, I while for working out the fair market value of the assets for inclusion in the assessee's net wealth under the Wealth Tax Act, 1957, deduction cannot be allowed of the estimated notional capital gains tax in the event of sale of those assets".

4. In view of that decision we answer the question in affirmative, i.e., in favour of the department and against the assessee.