

(1990) 08 BOM CK 0094**Bombay High Court****Case No:** Writ Petition No. 318 of 1981

Shantilal Bhogilal Jhaveri and
others

APPELLANT

Vs

C.L. Bhatia Fifth Wto and others

RESPONDENT**Date of Decision:** Aug. 6, 1990**Acts Referred:**

- Wealth Tax Act, 1957 - Section 16A

Citation: (1991) 92 CTR 241 : (1991) 187 ITR 395**Hon'ble Judges:** T.D. Sugla, J**Bench:** Single Bench**Advocate:** Dilip Dwarkadas, for the Appellant; Dr. V. Balasubramanian, for the Respondent

Judgement

T.D. Sugla, J.

The challenge in this petition is to the reference to the District Valuation Officer by the Wealth-tax Officer, C.I. Ward, Bombay, u/s 16A of the Wealth-tax Act, 1957, for determination of the value of the property in dispute. The reference was made on January 6, 1981. Notices u/s 16A and u/s 16A(4) have been issued by the Valuation Officer on January 21, 1981, and February 20, 1981. The proceedings relate to the assessment years 1972-73 to 1980-81. It is common ground that, at the time the Wealth-tax Officer referred the case to the District Valuation Officer u/s 16A, the assessments for the assessment years 1972-73 to 1975-76 had already been completed. The first question is whether the reference made by the Wealth-tax Officer u/s 16A to a District Valuation Officer for valuation of the property after the assessments have been completed is valid. This issue is covered by our court's decision in the case of [Smt. Bella Cajeton Travasso Vs. Third Wealth-tax Officer and others.](#) It is held that a reading of the provisions of section 16A makes it clear that before the assessment is finalised, if the Wealth-tax Officer is of the opinion, having regard to the nature of the assets and other relevant circumstances, that it is

necessary to refer the question of valuation of any assets to the Valuation officer, then it is permissible for him to do so. Admittedly, the reference in this case was made to the valuer u/s 16A only after the assessments were completed. It must, therefore, be held that the reference to the valuer u/s 16A in so far as it pertains to the assessment years 1972-73 to 1975-76 is invalid.

2. As regards the assessment years 1976-77 to 1980-81, Dr. Balasubramanian, learned counsel for the Department, stated that the assessments had, in fact, been completed, by valuing the property in dispute in accordance with rule 1BB of the Wealth-tax Rules and, in fact, the petitioners' valuation for the respective years was accepted. However, the assessment orders so passed could not be served on the petitioners in view of the interim stay granted by this court. In the above view of the matter, nothing survives in this petition so far as the proceedings for the assessment years 1976-77 to 1980-81 are concerned.

3. In the result, the rule is made absolute in so far as it pertains to the assessment years 1972-73 to 1975-76. For the assessment years 1975-77 to 1980-81, the petition has become infructuous, and the rule accordingly is discharged.

4. No order as to costs.