

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO(S) .7379-7380 OF 2016
(Arising out of SLP(C) Nos.7857-7858 OF 2012)

M/S G.S.HOMES & HOTELS P.LTD. . . . APPELLANT(S)

VERSUS

DY.COMMISSIONER OF INCOME TAX RESPONDENT(S)

O R D E R

1. Leave granted.
2. After hearing the leaned counsels for the parties and perusing the relevant material, we modify the order of the High Court by holding that the amount (Rs.45,84,000/-) on account of share capital received from the various share-holders ought not to have been treated as business income. The High Court, therefore, in our considered view, fell into error in reversing the order of the Tribunal on the aforesaid issue. Insofar as the issue of short term capital gains with respect to property T1 and T2 and maintenance deposit is concerned, we do not find any infirmity in the

order of the High Court so as to require any modification.

3. The appeals are disposed of as partly allowed as indicated above.

.....,J.
(RANJAN GOGOI)

.....,J.
(PRAFULLA C. PANT)

NEW DELHI
AUGUST 09, 2016

ITEM NO.3

COURT NO.6

SECTION IIIA

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (C) No(s). 7857-7858/2012

(Arising out of impugned final judgment and order dated 16/09/2011 in ITA No. 16/2003 and ITACR No. 1/2009 passed by the High Court of Karnataka at Bangalore)

M/S G.S.HOMES & HOTELS P.LTD.

Petitioner(s)

VERSUS

DY.COMMISSIONER OF INCOME TAX

Respondent(s)

(with interim relief and office report)

Date : 09/08/2016 These petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE RANJAN GOGOI
HON'BLE MR. JUSTICE PRAFULLA C. PANT

For Petitioner(s) Mr. Preetesh Kapur, Adv.
Ms. Radha Rangaswamy, Adv.

For Respondent(s) Mr. Ranjit Kumar, Solicitor General
Ms. Anita Sahani, Adv.
Mr. S. Wasim A. Qadri, Adv.
Ms. Anita Sahni, Adv.
For Mrs. Anil Katiyar, Adv.

UPON hearing the counsel the Court made the following
O R D E R

Leave granted.

The appeals are disposed of in terms of the
signed order.

(Neetu Khajuria)
Court Master

(Asha Soni)
Court Master

(Signed order is placed on the file.)