

IN THE SUPREME COURT OF INDIA@@
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CIVIL APPELLATE JURISDICTION@@
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CIVIL APPEAL NO. 3685 OF 1999@@
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M/s. Sona Builders

....Appellant(s)

versus

U.O.I. & Ors.

...Respondent(s)

O R D E R@@
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The appellant is the transferee of immovable property situated at Sawai Madho Singh Road, Bani Park, Jaipur. In respect of that transfer, the requisite form 37(I) was filed with the income tax authorities on 9th March, 1993 and a valuation report on 9th April, 1993. On 21st May, 1993, the appellant and the transferor of the said property were issued a notice by the office of the Appropriate Authority, Income Tax Department, New Delhi, to attend a hearing before him at Jaipur on 31st May, 1993 at 9.30 A.M. The notice invited the attention of the addressees to a sale instance, namely, the auction of another property on Sawai Madho Road on 3rd October, 1991. Based upon that sale instance, the notice informed the addressees that the apparent consideration of the transaction in appeal was low. The notice was sent from Delhi to the appellant at Jaipur by speed post and the photocopy of the envelope shows that it was posted only on 24th May, 1993. It is ...2/-

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averred by the appellant that it was received by it on 26th May, 1993. On 29th May, 1993, a letter was written to the Appropriate Authority on behalf of the appellant which requested him to supply to the appellant a copy of the deed in respect of the sale instance and a site plan of that property. The letter asked for an adjournment and time to make preparation. On 31st May, 1993, an order was made by the Appropriate Authority which held that the apparent consideration of the transaction between the appellant and the transferor was substantially low as compared to the value arrived at on the basis of the sale instance, duly adjusted, and, therefore, the compulsory purchase of the property in appeal was ordered.

Writ petitions were filed by the appellant and the transferor to impugn the order of compulsory purchase. It was contended by them before the learned Single Judge that no reasonable opportunity had been given to them to meet the case made out in the notice with reference to the sale instance referred to therein. The learned Single Judge rejected the contention, as did the Division Bench in the appeal filed therefrom. The order of the Division Bench is now under challenge.

We are quite unable to agree with the view taken by the High Court. The notice was addressed on 21st May, 1993 from Delhi

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ITEM NO.109

COURT NO. 2

SECTION IIIA

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Civil Appeal No.3685/1999 @@
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M/s. Sona Builders

Appellant (s)

VERSUS

U.O.I. & Ors.
(With office report)

Respondent (s)

Date : 24/07/2001 This appeal was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.P. BHARUCHA
HON'BLE MR. JUSTICE Y.K. SABHARWAL
HON'BLE MR. JUSTICE BRIJESH KUMAR

For Appellant (s) Mr. M.L. Verma, Sr.Adv.
Mr. R.K.Sanghi, Mr.Dhananjay Kr.Singh,
Mr. Satya Priya, Mr.Alok Garg &
Mr. Rajesh Prasad Singh, Advs.

For Respondent (s) Mrs. Laxmi Iyengar, Adv.
for Mrs. Sushma Suri, Adv.

UPON hearing counsel the Court made the following
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The civil appeal is allowed.
The respondents shall pay to the appellant the costs of
the appeal.

.SP1 (N. Annapurna) (Shelly Sengupta)
Court Master Court Master

(Signed order is placed on the file.)