IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA-433-2014 (O&M)
Date of decision:- 29.07.2015

Satish Kumar

...Appellant

Versus

Commissioner of Income Tax, Panchkula

...Respondent

CORAM: HON'BLE MR. JUSTICE S.J. VAZIFDAR, ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE G.S. SANDHAWALIA

Present: Mr. Ravi Shankar, Advocate,
for the appellant.

Mr. Yogesh Putney, Advocate,
for the respondent.

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S.J. VAZIFDAR, A.C.J. (ORAL)

This is an appeal against the order of the Income Tax Appellate Tribunal dated 09.06.2014 dismissing the appeal against the order of the CIT (Appeals) which upheld the addition made by the Assessing Officer of a sum of ₹ 35 lacs to the income of the appellant/assessee.

The matter pertains to the assessment year 2008-2009.

2. During the course of survey proceedings under Section 133-A of the Income Tax Act, 1961, excess cash, excess stock, investment in unaccounted purchases and discrepancies in the books were found. The quantum in respect of each of these items is as follows:-

(i)	*Excess cash*	*₹2,97,271/-*
(ii)	*Excess stock*	*₹10,65,788/-*
(iii)	*Investment in unaccounted purchase & element of profit thereon*	*₹18,46,000/-*
(iv)	*Misc. income to cover other discrepancies in books*	*₹2,90,941/-*
	Total	*₹35,00,000/-*

3. The assessee admitted the aforesaid declaration. He accepted that each of these items was separate. Despite the same, the return of income filed by the assessee was only of a sum of ₹ 20 lacs in respect of excess cash, excess stock and miscellaneous income on account of other discrepancies. In answer to a query in this regard, the assessee stated that as the undisclosed income on account of excess stock had already been declared and unrecorded purchases would be included in that he filed the return of only ₹ 20 lacs in the above regard. The Assessing Officer rejected the contention. It is noted that during the survey discrepancies regarding the unrecorded purchases as well as the stock were found. The assessee had voluntarily accepted that the discrepancies were separate and pertained to different transactions. The assessee had made a separate declaration of undisclosed income on both the heads. It was only subsequently at the time of filing the return that the assessee claimed that the discrepancies pertained to the same transactions. This attempt was rejected by the Assessing Officer.

4. The CIT (Appeals) and the Tribunal upheld the finding. Whether the two amounts ought to be telescoped into one or not is a question that could be answered only on appreciation of evidence. No substantial question of law arises.

5. The appeal is, therefore, dismissed.

(S.J. VAZIFDAR)
ACTING CHIEF JUSTICE

(G.S. SANDHAWALIA)
JUDGE

29.07.2015
Amodh