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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 308/2018, C.M. APPL.10259-10260/2018

SH. ANIL KUMAR BANSAL ..... Appellant
Through : Sh. Sameer Rohatgi and Sh. Akshit Pradhan, Advocates.

versus

DCIT, CENTRAL CIRCLE-31 ..... Respondent
Through : Sh. Asheesh jain, Sr. Standing Counsel, Sh. Ajit Sharma, Sr. Standing Counsel and Sh. Adnan Siddiqui, Advocate, for CIT.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE A. K. CHAWLA

O R D E R
% 16.03.2018

The assessee's appeal under Section 260A of the Income Tax Act, 1961 [hereafter "the 1961 Act"] urges that the lower appellate authorities erred in not setting-aside the addition of ₹30 lakhs in search assessment concluded in the case.

During the course of search, some documents, including *inter alia* certain loose papers which had been seized and marked as Annexures A-1 to A-7 contained the sum of ₹30 lakhs as against the names of Ram Babu Gupta, Nirmal Gupta and Kalpana Gupta. According to the record, the Assessing Officer (AO) sought explanations of the assessee which was not forthcoming for 11 months after which notice was issued. According to the AO, the assessee stated that no such document existed for which explanation could be given. The amounts were added. The CIT(A) affirmed the addition. The Tribunal declined to interfere and endorsed the view of the CIT(A) holding that the documents were not "dumb" documents. It is urged on behalf of the assessee firstly that the documents of the like nature have been in the past held to be “dumb” documents. In this regard, the assessee seeks support of the Division Bench ruling in *CIT v. Vivek Aggarwal* 2015 SCConline (Del) 7323; the judgment of the Supreme Court in *CBI v. V.C. Shukla* AIR 1998 SC 1406 and *CIT v. Girish Chaudhary* 2008 (296) ITR 619.

It was contended that having regard to the overall circumstances, the three entries in the loose sheets, without any further connection or clue, could not be held to constitute a source of income and be assessed in the hands of the appellant. It was consequently urged that in regard to another documents seized, i.e. loose papers which had more elaborate notings, the CIT(A) afforded relief to the appellant/assessee for the same block period but for another year. Learned counsel submitted that besides the inconsistency in approach, the findings of the lower authorities point to utter arbitrariness.

As to whether the documents could reasonably lead the Revenue or tax authorities to an inference that they reveal undisclosed income or a reasonable inference in that regard can be drawn, in the opinion of the Court, is essentially a question of fact. In the present case, all Revenue authorities have ruled against the appellant and stated that the documents had added up to undisclosed income. Whilst there cannot be any dispute with the principles enunciated by the Court, including this Court, in its past precedents, the issue always in such cases is whether the rule applies in the given facts of the case.

Having regard to the overall circumstances, the findings of fact do not call for interference. The appeal is accordingly dismissed.

S. RAVINDRA BHAT, J

A. K. CHAWLA, J

MARCH 16, 2018/ajk