110 IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

****

ITA-380-2019
DECIDED ON: JANUARY 28, 2020

MANINDER SINGH

APPELLANT

VERSUS

COMMISSIONER OF INCOME TAX, BATHINDA

RESPONDENT

CORAM: HON'BLE MR. JUSTICE AJAY TEWARI
HON'BLE MR. JUSTICE AVNEESH JHINGAN

Present: Mr. Deepak Aggarwal, Advocate and
Mr. Shivam Bhardwaj, Advocate
for the appellant.

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AJAY TEWARI, J (Oral):

This appeal has been filed against the order of Income Tax Appellate Tribunal, Amritsar Bench, Amritsar (hereinafter referred to as 'Tribunal) upholding the penalty against the appellant.

2. The brief facts are that during assessment it was found that the appellant had a bank account which did not form part of his regular book of account and in that account there was an un-explained cash deposits of ₹47,60,000/-. Ultimately when he was asked for the explanation for the same, he disclosed that out of that a sum of ₹22,10,000/- was explained. Out of money received from his brother regarding which it was stated that his brother had sold property worth about ₹7,50,000/- in the year 2008 and kept reinvesting it by giving the same on interest to friends and relatives. In the year 2010 he handed over a sum of ₹22,10,000/- to the appellant since he personally did not have a PAN card. Further a sum of ₹3,00,000/- was explained to have been received from his brother-in-law also for safe custody. When examined the younger brother trotted out a different story.

He stated that he had given the money to the appellant because as and when the appellant required the same and also had a loan bank account. The explanation, such as a cause, was rejected and ultimately a sum of ₹12,20,000/- was added to the income by employing 'peek credit'. It was, thereafter, penalty proceedings were initiated. In the reply filed to the show cause notice of the penalty, the assessee did not offer any explanation which may have shown his *bona fide* but only stated that since his income has been assessed on estimate basis, no penalty could be imposed. After considering this reply the penalty order was passed. The same having been upheld the appellant is before this Court.

3. The only argument raised by learned counsel is that from the penalty order it is clear that no further inquiry was made by the assessing officer while imposing penalty. He has, however, not in a position to deny that no explanation was offered by the appellant for his omission in mentioning this amount and as to why incorrect particulars were mentioned. Section 271 (1)(c) is clearly attracted to the facts of the present case.

4. Resultantly no fault is found.

5. Dismissed.

[AJAY TEWARI]
JUDGE

[AVNEESH JHINGAN]
JUDGE

JANUARY 28, 2020
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1. Whether speaking/ reasoned : Yes / No
2. Whether reportable : Yes / No