Subhash Chander Gupta v. Income Tax Officer, Ward 1, Hoshiarpur

ITA 282/2007

ITA 282/2007 | 2007-09-07

Challenge to sustained purchase and unexplained-payment additions dismissed as attempted reappreciation of facts.

260A

High Court of Punjab and Haryana | Division Bench | Justice M.M. Kumar | Justice Ajay Kumar Mittal

Assessment years: 1998-99

Scope of this order

The sustained additions remained undisturbed; the Court refused a fresh factual appraisal.

01 FACTS OF THE CASE

The medicine manufacturer challenged the Tribunal's 6 October 2006 decision for AY 1998-99. CIT(A) and the Tribunal had sustained additions of Rs.2,12,306 and Rs.34,000 concerning purchases through Prem Chand & Co. and cash payments absent from the books.

Source: PDF p. 3

02 DISCUSSION BY THE HON'BLE COURT

The authorities examined the supplier's lack of business records, the assessee's role in its bank account, same-day transactions and unverifiable consumption. The separate cash-payment explanation also remained unsubstantiated. The High Court found the proposed questions contrary to these categorical factual findings.

Source: PDF p. 6

03 JUDICIAL DECISION

The appeal did not warrant admission under section 260 A and was dismissed.

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04 OUTCOME / IN WHOSE FAVOUR

The sustained additions remained undisturbed; the Court refused a fresh factual appraisal.

Source: PDF p. 6

05 EXPERT COMMENTS

Identify the factual foundation of the section 260 A result — The decision rests on cumulative supplier, banking and accounting evidence. It should not be reduced to a rule that any disputed purchase necessarily warrants the same addition.

Keep the two additions separate — Rs.2,12,306 was the sustained purchase-related amount; Rs.34,000 concerned unrecorded cash payments. The original assessment's other figures are not interchangeable with these appellate issues.

Penalty initiation is not a penalty holding — The source mentions initiation of section 271(1)(c) proceedings in the history. This appeal decided the challenge to additions, not a separate penalty appeal.

Source: PDF p. 3

SOURCE & VERIFICATION

Primary High Court order - verified local repository copy

Complete source PDF reviewed: 6 physical pages.

Complete source text and every original page visually reviewed; identity and SHA-256 checked. AI-assisted source analysis.

Open cited source rendition

All 6 physical source pages read and visually inspected. SHA-256: 1415fe93939ab7781193f4d1b6d52d026cb88feeed399b276759af5a53516344.

STATUTORY SCOPE

Sections and disposition are recorded only to the extent stated in this source order.

LATER TREATMENT

Source checked 2026-10-21. Subsequent judicial treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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