

Income Tax Officer, Jind v. M/s. Mangat Ram Norata Ram Narwana & Anr.

Criminal Appeal No. 8 of 2005

[2011] 5 SCR 1137 | 2011-05-05

Whether the proved course of conduct established the partner's authorship of the return notwithstanding absence of eyewitness or expert signature proof, and whether the acquittals could stand.

276C(1) | 277 | 278 | 271(1)(c) | 271(1)(a) | 143(3) | 148 | 142(1)

Two-judge bench | Harjit Singh Bedi, J. | Chandramauli Kr. Prasad, J.

Assessment years: 1988-89

Conviction restored on proved conduct; concurrent sentence reduced

The Court retained proof beyond reasonable doubt and treated the demonstrated course of conduct as rebuttable evidence of authorship. Penalty payment alone is not a general conviction rule. The Magistrate's conviction was restored, with imprisonment reduced to six months on each count concurrently. Source arithmetic is not reconciled; later treatment and current law remain unverified.

01 FACTS OF THE CASE

The firm traded machinery, iron pipes and spare parts. For AY 1988-89 it filed a return through counsel under partner Hem Raj's signature. After discrepancies emerged from books obtained from the Sales Tax Department, notices and a further return were followed by additions and penalties. The penalty appeal failed and payment was made. The Chief Judicial Magistrate convicted both the firm and Hem Raj under the stated tax offences, imposing fines on the firm and one year's rigorous imprisonment with fines on the partner (official pages 1-4).

The first appellate court acquitted on sanction and signature-proof grounds. The High Court accepted the sanction's validity but maintained acquittal because neither the assessing officer nor the other witnesses directly proved the return's signature; counsel and a handwriting expert had not been examined. The Income Tax Officer appealed (pages 4-7).

Source: See the proposition-specific paragraph and PDF-page references below.

02 DISCUSSION BY THE HON'BLE COURT

The Court expressly retained the prosecution's duty to prove its case beyond reasonable doubt. That proof could include an admission established from conduct, rather than only an eyewitness to signing or handwriting-expert evidence. The prosecution showed that a return in Hem Raj's name formed the basis of assessment, that an appeal was preferred under his signature, and that penalty was paid without any contemporaneous objection to his authorship (pages 7–9).

An admission inferred from conduct was strong evidence, but the maker remained free to show that it was mistaken or untrue. On the demonstrated facts, Hem Raj brought no evidence denying the signature or explaining that payment was mistaken. Only after the prosecution proved that chain did the Court require him to meet it. There was no statutory requirement to sign in the tax officer's presence. The appellate court and High Court had therefore overlooked material evidence and misdirected themselves (pages 8–10).

Source: See the proposition-specific paragraph and PDF-page references below.

03 JUDICIAL DECISION

The departmental criminal appeal was allowed and the acquittal orders set aside. The Magistrate's conviction was restored, but the partner's substantive imprisonment was reduced from one year to six months on each count, with the terms directed to run concurrently. The Court did not separately vary the fines or direct a fresh trial (page 10).

Source: See the proposition-specific paragraph and PDF-page references below.

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Revenue/prosecution on conviction; accused partner obtains a reduction of substantive imprisonment

Appeal allowed; conviction restored; six months on each count concurrently

Final criminal disposition in the reported appeal

Fact-specific evidentiary reasoning does not make payment of a civil penalty alone a conclusive admission of every criminal element. No later execution, compliance or further criminal proceeding is verified.

Source: See the proposition-specific paragraph and PDF-page references below.

05 AKHB REVIEW POINT

Distinguish the evidentiary question of authorship from proof of all ingredients of a tax offence. The Court relied on an established sequence of signed proceedings, absence of objection and payment, while expressly maintaining the criminal standard of proof and permitting rebuttal of an inferred admission. Do not convert this into a general rule that a paid penalty automatically establishes guilt or that an accused must disprove an unproved prosecution case.

For citation, retain the sentence reduction and concurrent-running direction alongside the restored conviction. This historical order does not certify present sentencing provisions, evidentiary enactments or e-return authentication rules.

Source: See the proposition-specific paragraph and PDF-page references below.

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Topic: Identity/date/reportability

Source url: [Open cited source](#)

Pdf pages: 1; 10

Paragraphs: Unnumbered cover and signed ending

Source role: judicial text

2.

Topic: Return, assessment, penalty and trial

Source url: [Open cited source](#)

Pdf pages: 1; 2; 3; 4

Paragraphs: Unnumbered facts

Source role: judicial text

3.

Topic: Acquittal and contested signature proof

Source url: [Open cited source](#)

Pdf pages: 4; 5; 6; 7

Paragraphs: Unnumbered appellate history and submissions

Source role: judicial text

4.

Topic: Criminal standard and rebuttable admission by conduct

Source url: [Open cited source](#)

Pdf pages: 7; 8; 9; 10

Paragraphs: Unnumbered Court reasoning

Source role: judicial text

5.

Topic: Restored conviction and reduced concurrent sentences

Source url: [Open cited source](#)

Pdf pages: 10

Paragraphs: Final unnumbered operative paragraph

Source role: judicial text

6.

Topic: Reported identity and concordance

Source url: [Open cited source](#)

Pdf pages: 1; 2; 6

Paragraphs: Cover; opening and ending

Source role: reported metadata and judicial text

ADDITIONAL STATUTORY CONTEXT, NOT SEPARATE HOLDINGS

Sections 276C(1), 277 and 278 are the conviction counts. Assessment, reopening and penalty sections describe the background; no independent general ruling on their current conditions or rates.

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Order of the Court; no individual author named

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(official original judgment\)](#)

Identified source rendition: 10 PDF pages; SHA-256

313e86447c5e447e56b8ffcd956c8b38c5183d5f28a43bacab58a4959c66d7f. Original bytes preserved.

Complete signed judicial text, all physical pages; no adjacent judgment or separate ROP.

[Open cited source rendition](#)

Both renditions contain unnumbered judicial paragraphs; pinpoints use physical pages instead of invented paragraph numbers.; The initial assessed figure is Rs 1,47,370, the later returned figure Rs 1,47,870, and the narrated additions do not reconcile arithmetically with the stated Rs 3,68,200 total. These source amounts are not silently recalculated.; The source alternates 276C(i) and 276C(1); the conviction recital identifies 276C(1).; The named partner's conduct is the Court's finding in this historical prosecution. No broader accusation about present conduct or other partners is made.

STATUTORY SCOPE

Current statutory equivalence and 2025 Act applicability have not been verified.

LATER TREATMENT

Source checked 2026-10-04. Comprehensive subsequent judicial and statutory treatment has not been verified. Only the expressly identified bounded comparisons have been checked. No current-law or Income-tax Act, 2025 mapping is certified.

IDENTIFIED SOURCE LINKS

[official original judgment - PDF pages: 10](#)

SHA-256: 313e86447c5e447e56b8ffcd956c8b38c5183d5f28a43bacab58a4959c66d7f

[reported judgment - PDF pages: 6](#)

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