

## Commissioner of Income Tax Vs Varindra and Co.

**Court:** High Court Of Punjab And Haryana At Chandigarh

**Date of Decision:** July 18, 2001

**Acts Referred:** Income Tax Act, 1961 " Section 143, 271

**Citation:** (2001) 118 TAXMAN 946

**Hon'ble Judges:** N.K. Sud, J; Jawahar Lal Gupta, J

**Bench:** Full Bench

**Advocate:** R.P. Sawhney and Rajesh Bindal, for the Appellant;

### Judgement

Gupta, J.

The assessee filed a return for the assessment year 1990-91 declaring a loss of Rs. 1,92,643. The assessing officer proceeded u/s 143(3) of the

Income Tax Act, 1961 (the Act) and found that the loss was only Rs. 77,640. Having held that the penalty proceedings u/s 271(1)(c) of the Act

were initiated, the penalty was levied. On appeal by the assessee, the Commissioner accepted the claim that no penalty could have been levied in

view of the decision of the High Court in Commissioner of Income Tax Vs. Prithipal Singh and Co., . The revenue filed an appeal before the

Tribunal which has been dismissed. Aggrieved by the order, the revenue has filed the present appeal.

2. Mr. Sawhney contends that the assessee had concealed an income of Rs. 1,15,000. The Assessing Officer had, thus, declared the loss at Rs.

77,640 instead of Rs. 1,92,643 as claimed by the assessee. There was, thus, a concealment of income and the penalty proceedings could be

validly continued. He further submits that even negative income is a part of the income and the assessee being entitled to carry forward the loss to

the subsequent year, it cannot be said that there was no concealment.

3. After hearing the counsel for the revenue, we find that the issue as sought to be raised in the present-appeal is concluded by the judgment of this

court in Prithipal Singhs case (supra). Still further, the decision has been affirmed by their Lordships of the Supreme Court in Commissioner of

Income Tax Vs. Prithipal Singh and Co., .

4. Mr. Sawhney submits that their Lordships of the Supreme Court have not given any reasons for affirming the decision. In our opinion, that is of

no consequence. Once the decision has been affirmed in the civil appeal, it is binding on this Court.

5. Resultantly, we find no ground to interfere. The appeal is dismissed.