
(2001) 09 P&H CK 0150

High Court Of Punjab And Haryana At Chandigarh

Case No: It Appeal No. 159 of 2001 27 September 2001

Smt. Bimia Wanti Jain

APPELLANT

Vs

Income Tax Appellate Tribunal

RESPONDENT

Date of Decision: Sept. 27, 2001

Acts Referred:

- Income Tax Act, 1961 - Section 260A

Citation: (2002) 120 TAXMAN 661

Hon'ble Judges: Jawahar Lal Gupta, J; Jawahar Lal Gupra, J; Ashutosh Mohunta, J

Bench: Full Bench

Advocate: Vikas Jain, for the Assessee, for the Appellant;

Judgement

@JUDGMENTTAG-ORDER

Gupta, J.

The dispute relates to the year 1989-90. The assessee showed a gross turnover of Rs. 38,47,829. A gross profit of Rs. 8,00,256 was declared. After claiming deductions, a total income of Rs. 79,200 was shown in the return. The assessing officer made certain additions. One of these related to the disallowance of an amount of Rs. 18,000, alleged to have been paid as salary to Smt. Nisha Jain and Srnt. Kanchan Jain. It was claimed by the assessee that a salary of Rs. 750 per month was being paid to each of the two ladies. On this basis, a deduction of Rs. 18,000 was claimed.

2. After consideration of the matter, the assessing officer found that the claim was not tenable. It was inter alia observed that "no documentary evidence with regard to the services rendered" had been produced.

3. Aggrieved by the order, the assessee filed an appeal, which was dismissed by the Commissioner (Appeals). Still not satisfied, the assessee approached the Tribunal. Vide order dated 5-2-2001 the appeal has been dismissed. Hence this appeal u/s 260A of the Income Tax Act, 1961 (hereinafter referred to as the Act).

4. Mr. Vikas Jain, the learned counsel for the appellants (the legal representatives of the original assessee) submits that the authorities have illegally rejected the assessee's claim. In case of relations, it was not necessary for the assessee to maintain a register under the Punjab Shops and Commercial Establishments Act, 1958. Thus, a substantial question of law arises for the consideration of the court.

5. After hearing the learned counsel, we find that the two ladies were examined by the assessing officer. Their statements were recorded. The findings are based on appreciation of evidence. The factum of register is only one of the circumstances. Even if that is ignored, the findings are sustainable on the other evidence on the file of the case. It has been found as a fact, that no evidence regarding the services rendered by the two ladies has been produced. Thus, the deduction has been disallowed.

6. Another fact which deserves mention is that the two ladies, who were allegedly employed, are, in fact, the daughters-in-law of the assessee. It is on consideration of the evidence and the relevant circumstances that the finding has been recorded. We do not find that any substantial question of law arises, so as to warrant interference by this court.

7. No other point has been raised.

8. In view of the above, we find no ground to interfere.

9. The appeal is dismissed in limine.