

(1981) 12 MP CK 0001

Madhya Pradesh High Court

Case No: Miscellaneous Civil Case No. 110 of 1979

MUNNALAL MOTILAL

APPELLANT

Vs

COMMISSIONER OF INCOME
TAX.

RESPONDENT

Date of Decision: Dec. 17, 1981

Acts Referred:

- Income Tax Act, 1961 - Section 256(2)

Citation: (1982) 28 CTR 44

Hon'ble Judges: Faizan Uddin, J

Bench: Division Bench

Judgement

Faizan Uddin, J. - The question of law referred in this reference u/s 256(2) of the IT Act, 1961, is as follows :

"Whether on the facts and in the circumstances of the case it was open to the IT Authorities to investigate into the genuineness of the deposits aggregating Rs. 15,826 and record a finding in regard thereto when disclosure petitions made by Smt. Kapooridevi and Virendra Kumar u/s 24 of the Finance (No. 2) Act of 1965 had been acted upon by the IT Authorities ?"

2. The disclosures under the Finance Act No. 2 of 1965 were made by Smt. Kapoori Devi, the wife of the Karta, and Virendra Kumar, his major son. The question is whether in the assessment proceedings against the HUF the IT Authorities can investigate into the genuineness of the deposits which were subject-matter of disclosure. The point in our opinion, is entirely covered against the assessee by the decision of the Supreme Court in Jamnaprasad Kanhaiyalal Vs. Commissioner of Income Tax, M.P., Bhopal, and by the decision of this Court in Addl. Commissioner of Income Tax Vs. Samrathmal Santoshchand. The facts in the instant case are quite similar to the facts in Samrathmal Santoshchands case. Following these decision, our answer to the question is that the IT Authorities have jurisdiction to investigate

into the genuineness of the deposits. There will be no order as to costs of this reference.