

Failure to prove sum deposited by assessee in bank was actually his salary withdrawn earlier - Additions justified

Summary – The High Court of Punjab & Haryana in a recent case of Parveen Kumar, (the Assessee) held that failure to prove sum deposited by assessee in bank was actually his salary withdrawn earlier - Additions justified

Facts

- The AO issued questionnaire to assessee to seek details of his bank statements and from these statements asked the assessee to give reasons for deposit of huge amount of cash in his bank account which was otherwise a salary account.
- The assessee failed to prove that the cash withdrawal made from his salary account was deposited in bank and the AO made the addition.
- The appellate authorities agreed with the action of the AO.
- On appeal to the High Court:

Held

- The HC held that the assessee could not file any evidence to explain the cash deposits made to his salary account. There was nothing on record to support the fact that the amounts withdrawn from the salary account were re-deposited.
- The question raised is a question of fact, as the issue is only regarding appreciation of evidence. No interference is called for in the findings recorded by the Tribunal.