

**FORM E**

[See Rule 5 of the Wealth-tax Rules, 1957]

**FORM OF APPEAL TO THE DEPUTY COMMISSIONER (APPEALS) AND COMMISSIONER OF WEALTH-TAX (APPEALS) UNDER SECTION 23 OF THE WEALTH-TAX ACT, 1957**

*Filed on 30/10/92*

Wealth-tax Range..... **1st Range**

\*No..... of..... 19..... 19.....

Name and address of the Appellant.

**Master Bhanu Prasad  
1-10-72/2/2, Begumpet,  
Hyderabad**

Permanent Account Number.

**2-739**

Assessment year in connection with which the appeal is preferred.

**1981-82**

Assessing Officer/Valuation Officer passing the order appealed against.

**A.O. 1 (2) Hyd**

Where valuation of any asset has been referred to the Valuation Officer, designation and address of such Valuation Officer.

**N.A.**

Section and sub-section of the Wealth-tax Act, 1957, under which the Assessing Officer/Valuation Officer passed the order appealed against and the date of such order.

**18(1)(b)**

Where the appeal relates to any assessment, penalty/ fine, the date of service of the relevant notice of demand.

**30-09-1982**

In any other case, the date of service of the intimation of the order appealed against.

**N.A.**

Where return has been filed by the appellant for the assessment year in connection with which the appeal is preferred, whether tax due on the net wealth returned has been paid in full. (If the answer is in the affirmative, give details of the date of payment and amount paid.)

**Yes, Rs. 2,372/-**

Section of the Wealth-tax Act, 1957, under which the appeal is preferred.

**23  
Deletion of penalty of Rs. 237/-**

†Relief claimed in appeal.

\*\*Where an appeal in relation to any other assessment year is pending in the case of the appellant with any Deputy Commissioner (Appeals)/Commissioner (Appeals), give the details as to the,—

- (a) Deputy Commissioner (Appeals)/Commissioner (Appeals) with whom the appeal is pending;
- (b) assessment year in connection with which the appeal has been preferred;
- (c) Assessing Officer/Valuation Officer passing the order appealed against;
- (d) section and sub-section of the Act, under which the Assessing Officer/Valuation Officer passed the order appealed against and the date of such order.

**NIL**

Address of the Chartered Accountants and Company of the appellant.  
**M/s. G. Jagan and Company  
Chartered Accountants  
C/o Mehta Automobiles,  
58/3, H.C. Road,  
Secunderabad-500 003**

*S. Subramanian*  
Signed  
(Appellant)

STATEMENT OF FACTS : (ATTACHED)

2

GROUNDS OF APPEAL :

**A T T A C H E D**

*Satish Modi*  
Signed  
(Appellant)

**FORM OF VERIFICATION**

I, SATISH MODI, GPA Holder of Sohan Modi the appellant, do hereby declare that what is stated above is true to the best of my information and belief.

Place... Hyderabad ...  
Date... 29-10-1992 ...

Signature... *Satish Modi* ...  
Status of Appellant... Individual-GPA holder of Sohan Modi ...

- NOTES :—(1) The form of appeal, grounds of appeal and the form of verification appended thereto shall be signed by a person in accordance with the provisions of section 15A of the Wealth-tax Act, 1957.
- (2) The memorandum of appeal, statement of facts and the grounds of appeal must be in duplicate and should be accompanied by a copy of the order appealed against and the notice of demand in original, if any.
- (3) Delete the inappropriate words.
- (4) \*The particulars will be filled in, in the office of the Deputy Commissioner (Appeals)/ Commissioner (Appeals).
- (5) †If the space provided herein is insufficient, separate enclosures may be used for the purpose.
- (6) \*\*If appeals are pending in relation to more than one assessment year, separate particulars in respect of each assessment year may be given.

### STATEMENT OF FACTS

The assessee is a minor and is one of the beneficiary in a private determined trust M/s M & M Associates. Notice u/s 17(1) dated 27-03-1989 was served on 15-06-1989 for A.Y.1980-81 to 1989-90. The assessee had already filed Return of Wealth and the notice u/s 17(1) was issued with a view to assess the beneficial interest of the assessee in M/s M & M Associates .

No Return of Wealth was filed in response to nitice u/s 17(1). However, a letter dated 26-03-1992 explaining the reasons for non-inclusion of assesee's interest in M/s M & M Associates in the total wealth as returned earlier was submitted to A.C.1(2)Hyd. A copy of the letter is enclosed herewith.

Non filing of return in response to notice u/s 17(1) was due to mis-understanding with the old auditor and was beyond assessee's control and was not intentional.

The wealth assessed on ex-parte assessment is the same wealth as assessed earlier in response to Return of Wealth filed voluntarily. There is no additional demand of tax.

### GROUND OF APPEAL

1. The Assistant Commissioner has failed to appreciate that there was a reasonable cause for non-filing of return in response to notice u/s 17(1)
2. The Assistant Commissioner has failed to appreciate the fact that the wealth assessed on ex-parte assessment is the same wealth as assessed earlier as per Return of Wealth filed voluntarily.
3. Any other ground or grounds, that may be submitted at the time of hearing.

*Satish aradh*  
APPELLANT

(निष्का 15 देखिए)  
(See Rule 15)

1592

18(1) (E) P.W.T. Act, आई.टी.एस-7  
1957-7

आय-कर अधिनियम, 1961 की धारा 156 के अर्थम मांग की सूचना  
Notice of Demand under Section 156 of the Income-Tax Act, 1961

सेवा में  
To Mr. Mohan S. Modi  
1-10-72/2/3  
Begunpur, Saini

अधिकारी Indian demand  
क्र. आई. टार. सं. 5-739  
G.I.R. No.

आपको सूचित किया जाता है कि निर्धारण वर्ष के लिए आपका द्वारा मंद्य राशि, जिसके बारे में पीछे दिए गए हैं, अबधारित की गई है।

This is to give you notice that for the assessment year 1981-82 a sum of Rs. 237/- details of which are given on the reverse has been determined to be payable by you.

2. इस रकम की संदाय इस सूचना की तारीख से 35 दिनों के अन्दर स्थित सहायक आय-कर अधिकारी/उप-सहायक अधिकारी/अधिकारी, भारतीय स्टेट बैंक/भारतीय रिजर्व बैंक को किया जाना चाहिए। उपरोक्त राशि के संदाय के लिए 35 दिन से कम की अवधि अनुज्ञान करने के लिए मनायक आय-कर अधिकारी (निर्धारण) का पूर्व-अनुमति प्राप्त कर लिया गया है। संदाय के प्रयोजन के लिए एक बालान संलग्न है।

The amount should be paid to the Treasury Officer/Sub-Treasury Officer/Agent, State Bank of India/Reserve Bank of India at Begunpur within 35 days of the service of this notice. The previous approval of the Inspecting Assistant Commissioner of Income-tax has been obtained for allowing a period of less than 35 days for the payment of the above sum. A challan is enclosed for the purpose of payment.

3. यदि आप ऊपर विनिर्दिष्ट अवधि के अन्दर रकम का संदाय नहीं करते तो आप उपरोक्त अवधि की समाप्ति के पश्चात् प्रारम्भ होने वाली तारीख से बारह प्रतिशत प्रतिवर्ष की दर में साधारण व्याज का संदाय धारा 220(2) के अनुसार करने के दायी होंगे।

If you do not pay the amount within the period specified above, you will be liable to pay simple interest at twelve per cent per-annum from the date commencing after the end of the period aforesaid in accordance with Section 220(2).

4. यदि आय-कर की रकम का संदाय ऊपर विनिर्दिष्ट अवधि के अन्दर नहीं करते तो धारा 221 के अनुसार आपको मुनताईयुक्त अवसर दिए जाने के पश्चात्, आप पर (उतनी भास्ति जो वक़ाय कर की रकम के बराबर हो सकेगी) अतिरिक्त को जा सकेगी।

If you do not pay the amount of the tax within the period specified above, penalty (which may be as much as the amount of tax in arrear) may be imposed upon you after giving you a reasonable opportunity of being heard in accordance with Section 221.

5. यदि आप कर की रकम का संदाय ऊपर विनिर्दिष्ट अवधि के अन्दर नहीं करते तो धारा 222 से 229, 231 और 232 के अनुसार कार्यवाहियाँ की जाएंगी।

If you do not pay the amount within the period specified above, proceedings for the recovery thereof will be taken in accordance with Sections 222 to 229, 231 and 232 of the Income-Tax Act, 1961.

6. यह निर्धारण आय-कर अधिनियम, 1961 की धारा 143(1) के अर्थम पूरा हो गया है। यदि आप इस निर्धारण के बारे में आक्षेप करते हैं तो आप निर्धारण के बारे में आक्षेप करने के लिए प्रथम स. 14-क में इस मांग की सूचना की तारीख से एक मास के अन्दर मुझको आवेदन कर सकते हैं।

The assessment has been completed under Section 143(1) of the Income Tax Act, 1961. In case you object to the assessment, you may apply to me in Form No. 6-A objecting to the assessment, within one month from the date of service of this notice of demand.

7. चूंकि आप धारा 139(2) के अधीन आय की विवरणी देने में असफल रहे हैं और धारा 139(4) या धारा 139(5) के अधीन विवरणी या पुनरीक्षित विवरणी नहीं दी आप धारा 142(1) के अधीन जारी की गई सूचना का अनुपालन करने में असफल रहे हैं/आप धारा 143(2) के अधीन जारी की गई सूचना का अनुपालन करने में असफल रहे हैं, इसलिए या निर्धारण आय-कर अधिनियम, 1961 की धारा 144 के अधीन किया गया है। किन्तु यदि आप धारा 139(2) के अधीन विवरणी देने से पर्याप्त हेतुक के कारण निवारित हो गए थे या आपको धारा 142(1) या धारा 143(2) के अधीन जारी की गई सूचना प्राप्त नहीं हुई थी या आपको धारा 142(1) या धारा 143(2) के अधीन जारी की गई सूचना के निवन्धनों का अनुपालन करने के लिए युक्तियुक्त अवसर प्राप्त नहीं हुआ था या आप उनका अनुपालन करने से पर्याप्त हेतुक के कारण निवारित हो गए थे तो आप धारा 146 के अधीन इस निर्धारण को रद्द करने के लिए और नए सिरे से निर्धारण करने के लिए कार्यवाही करने के लिए इस सूचना की तारीख की एक मास से अन्दर मुझको आवेदन कर सकते हैं।

[क्र.पं. उ०/P.T.O.]

The assessment has been made under Section 144 of the Income Tax Act, 1961, because you failed to make the return of income under Section 139(2) and did not make a return or a revised return under Section 139(4) or Section 139(5)/comply with a notice issued under Section 142(1)/comply with a notice issued under Section 143(2). However, if you were prevented by sufficient cause from making the return under Section 139(2) or did not receive the notice issued under Section 142(1) or Section 143(2) or did not have a reasonable opportunity to comply, or were prevented by sufficient cause from complying, with the terms of a notice issued under Section 142(1) or Section 143(2), you may apply to me, within one month from the date of service of this notice under Section 146, to cancel the assessment and proceed to make a fresh assessment.

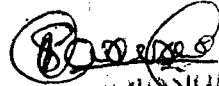
8. यदि आप इस निर्धारण/जुमानि/शास्ति धारा 216 के अधीन संदेय व्याज के विरुद्ध अपील करना चाहते हैं तो आप आय-कर अधिनियम, 1961 के अध्याय 20 के भाग-ख के अधीन अपील, प्ररूप सं० 35 में, जो उस प्ररूप में यथा अधिकथित सम्यक रूप से स्टाम्पित और सत्यापित हो, आय-कर आयुक्त (अपील)/सहायक आय-कर आयुक्त (अपील) को इस सूचना की प्राप्ति से तीस दिन के अन्दर पेश कर सकते हैं।

If you intend to appeal against the assessment/line/penalty/interest payable under Section 216 you may present an appeal under Part A of Chapter XX of the Income Tax Act, 1961, to the Commissioner of Income-tax (Appeals)/Assistant Commissioner of Income-tax (Appeals) within thirty days of the receipt of this notice, in Form No. 35, duly stamped and verified as laid down in that form.

9. यह रकम आय-कर अधिनियम, 1961 की धारा के अधीन आय-कर आयुक्त (अपील)/सहायक आय-कर आयुक्त (अपील)/सहायक आय-कर आयुक्त (निरीक्षण)/आय-कर आयुक्त के आदेश के परिणामस्वरूप देय हुई है। यदि आप पूर्वोक्त आदेश के विरुद्ध अपील करना चाहते हैं तो आप उक्त अधिनियम के अध्याय 20 के भाग-ख के अधीन अपील, प्ररूप सं० 36 में जो उस प्ररूप में यथा अधिकथित सम्यक रूप से स्टाम्पित और सत्यापित हो, आय-कर अपील अधिकरण को इस आदेश की प्राप्ति से साठ दिन के अन्दर, पेश कर सकते हैं।

The amount has become due as a result of the order of Commissioner of Income-tax (Appeals)/Assistant Commissioner of Income-tax (Appeals), Inspecting Assistant Commissioner of Income-tax/Commissioner of Income-tax of the Income Tax Act, 1961. If you intend to appeal against the aforesaid order you may present an appeal under Part B of Chapter XX of the said Act to the Income Tax Appellate Tribunal within sixty days of the receipt of that order, in Form No. 36 duly stamped and verified as laid down in that form.

तारीख/Dated 25-9-92  
स्थान/Place Hyderabad

  
COMMISSIONER  
Office of the Commissioner of Income-tax (Appeals) (2)  
HYDERABAD.  
पता/Address

टिप्पणियाँ/Notes :—

- (1) अनुपयुक्त पंरे और शब्दों को काट दीजिए।  
Delete inappropriate paragraphs and words.
- (2) यदि आप रकम के संदाय चेक द्वारा करना चाहते हैं तो चेक नजाना अधिकारी/उप-नजाना अधिकारी/अधिकारी, भारतीय स्टेट बैंक/भारतीय रिजर्व बैंक के नाम लिखा जाना चाहिए।  
If you wish to pay the amount by cheque, the cheque should be drawn in favour of the Treasury Officer/Sub-Treasury Officer/Agent, State Bank of India/Reserve Bank of India.
- (3) यदि आप रकम के संदाय के लिए समय का विस्तार करना चाहते हैं या किस्तों में संदाय करने का प्रस्तावना करते हैं तो, यथास्थिति, ऐसे विस्तार या किस्तों में संदाय करने की अनुज्ञा प्राप्त करने के लिए आवेदन पैरा 2 में विनिर्दिष्ट अवधि के अवसान से पूर्व आय-कर अधिकारी को करना चाहिए। उक्त अवधि के अवसान के पश्चात् प्राप्त हुए किसी निवेदन को, धारा 220(3) के विनिर्दिष्ट उपबन्धों को ध्यान में रखते हुए, ग्रहण नहीं किया जाएगा।  
If you intend to seek extension of time for payment of the amount or propose to make the payment by instalments, the application for such extension or as the case may be, permission to pay by instalments, should be made to the Income-tax Officer before the expiry of the period specified in paragraph 2. Any request received after the expiry of the said period will not be entertained in view of the specific provisions of Section 220(3).

Proceedings of the Assistant Commissioner of Wealthtax, Circle-1(2),Hyd.

Mrs. S. Narasamma,  
Asst. Commissioner of W.T.  
Circle-1(2),Hyderabad.

GIR.NO. 8.739

dated: 25.9.1992

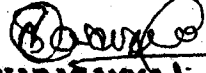
Wealthtax assessment - Asst.year 1991 - 92  
Master Soham S.Modi, C/o M&M Associates,  
2.20.73/2/8, Begumpet,Hyderabad -  
Levy of penalty u/s 18(1)(b) of the  
W.T.Act - Order passed -

ORDER

A notice u/s 17(1) was issued on 27.3.89 and served on the assessee on 15.6.89. But there is no response from the assessee. No return was filed by the assessee. The assessment was completed exparte basing on the information available on 31.3.92. While completing the assessment, penalty proceedings were initiated u/s 18(1)(b) of the W.T.Act. In response to the penalty notice, the assessee filed an explanation stating that -  
" Due to certain mis-understanding with the previous auditor, a new auditor was appointed, the entire back records were being maintained with the previous auditor. The auditor who was newly appointed was not aware of the receipt of the notice and he could not be fully appraised of pending matters since the entire back records were being with the previous auditor. Non-filing of the return in response to notice u/s 17(1) was brought to the knowledge of the new auditor only at the fag end of March, 1992. Due to his prior commitments, return of wealth in the last moment could not be prepared and filed. The failure to file the return in response to notice u/s 17(1) was due to above reasons which were beyond assessee's control and was not intentional '. Hence the assessee requested to drop the penalty proceedings initiated u/s 18(1)(b).

The explanation offered by the assessee is not convincing and satisfactory. It is the assessee's responsibility to respond to any notice under Wealthtax Act but not the Auditor. The misunderstanding with the previous auditor is not the real reasons and the assessee cannot fully depend on him. In the circumstances, ~~XXXXXX~~ I am satisfied that the assessee not prevented by sufficient reasons and levy a minimum penalty of Rs. 23 u/s 18(1)(b) of the W.T.Act.

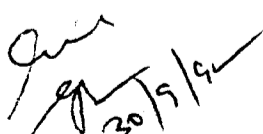
This should be paid as per challan enclosed.

  
(S. NARASAMMA)  
Asst. Commissioner of Wealthtax  
Circle-1(2),Hyderabad.

Copy to the assessee.

CERTIFIED TRUE COPY.



  
30/9/92

26/03/92

From  
Sohan Modi  
(per father & natural guardian)  
Beneficiary in M/s.M&M Associates,  
1-10-72/2/3, Begumpet,  
Hyderabad - 500 016.

To  
Assistant Commissioner of Wealth Tax,  
Circle 1(2)/HYD  
Hyderabad.

Sir,

Sub: Notice U/s 17(1) - filing of Wealth  
Tax Returns - own - Asst.Year 1980-81  
to 1988-89 - Reg.

- - -

In connection with the above matter it is submitted  
as under.

1. The above notice is received as a beneficiary in  
M/s.M & M Associates.
2. M/s.M&M Associates is a private family trust evidenced  
by Deed of Trust dated 31.03.1981. The trust has adopted  
its previous year beginning from August and ending on July  
every year. The first previous year of the trust is for  
a period from 31.03.81 to 31.07.1981. The first Assessment  
year for the Trust is therefore 1982-83.
3. Wealth Tax Returns for Asst.Years 1980-81 to 1988-89 are  
already filed and the assessments are also completed.
4. As per Balance Sheet of M/s.M & M Associates, the trust  
has a negative wealth. Further the trust is an accumulative  
trust wherein the share of the beneficiary is to be  
accumulated till he attains majority.
5. The share of assessee is negative wealth of M/s.M & M  
Associates is therefore not included in the Wealth Tax  
returns.
6. The net wealth of M/s. M & M Associates for AY 1983-84  
to 1989-90 is negative and the share of the assessee is  
also negative.

Yours faithfully,

*Satish Modi*

(SATISH MODI)  
(Father & Guardian)