

3. I have heard the rival submissions and perused the orders of lower authorities and materials available on record. In the instant case, the Assessing Officer observed that the assessee has shown gross receipt from transportation work of Rs.9,75,16,499/-, and from marble trading of Rs.12,81,280/-. The gross profit on marble trading has been shown as Rs.1,18,887/-. After debiting various expenses in the P&L account, the net profit was shown at Rs.13,95,471/- which is around 1.41% of the total gross receipts from both the business. As the assessee could not produce details of ledger copy with supporting bills and vouchers, therefore, he rejected the books of account of the assessee by invoking the provisions of section 145(3) of the Act and estimated the income at 3.5% of gross transportation receipts of Rs.9,75,16,499/-, which worked out to Rs.34,13,077/-.

4. On appeal before the Id CIT(A), the assessee submitted that the estimation of income from transportation receipts @ 3.5% is excessive and the rate should be 2.5% of the gross transportation receipts to meet the ends of justice. However, Id CIT(A) did not accept the submission of the assessee and dismissed the appeal of the assessee.

5. Before me, Id A.R. reiterated the submission made before the Id CIT(A).

6. On the other hand, Id D.R. supported the order of Id CIT(A).

Copy of the Order forwarded to :

1. The appellant :Narendra Kumar Sharma,
Prop. Shreeram Marble, At: N.S,Bose Marg,
Talcher, dist: Angul.
2. The Respondent. ITO, Dhenkanal
3. The CIT(A)-2, Bhubaneswar
4. CIT,Bhubaneswar
5. DR, ITAT, Cuttack
6. Guard file.
//True Copy//

BY ORDER,

ASST.REGISTRAR,
ITAT, Cuttack