

IN THE INCOME TAX APPELLATE TRIBUNAL: RANCHI BENCH, RANCHI

BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER

I.T.A No.149/Ran/2018

Assessment Year: 2012-13

M/s Surya Homes 2 nd Floor, Aparajita Building, Near Bank of Baroda, Mitha Tank Road H.Bag.	vs.	ITO, Ward-2(2), Hazaribagh
PAN/GIR No. : AAZFS9812P		
(Appellant)	..	(Respondent)

Appellant by	Sri M. K. Choudhury, Advocate
Respondent by	Sri Ajay Kumar, Addl. CIT(DR)

Date of hearing	03.03.2020
Date of pronouncement	03.03.2020

ORDER

S. S. Godara(Oral):

This assessee's appeal for assessment year 2012-13 arises against the Commissioner of Income Tax (Appeals), Jharkhand dated 23.06.2016 passed in case no.08/HZB/2015-16 involving proceedings u/s 143(3) of the Income Tax Act, 1961 (in short 'the Act').

Heard both the parties. Case file perused.

2. The assessee's first substantive grievance challenges correctness of both the lower authorities' action adding Rs.6,86,400/- as alleged outstanding income shown books of accounts. This assessee admittedly is a builder and developer in real estate. Learned counsel's only case is that the assessee's stand from the day one during the course of scrutiny was that the above sum had come from Shri R. N. Yadav, Smt. Lata Devi and Dr. Aditi Lal to the tune of Rs.178000/-, Rs.399990/-, Rs.109400/-; respectively for extra internal furnishing work over and above the sale price disclosed. I find that this assessee has explained its case from the recipient parties' end. I reject the Revenue's argument therefore and hold that the assessee has satisfactorily discharged his onus qua the instant issue. The impugned addition of Rs.6,86,400/- stands deleted.

3. Mr. Choudhury is fair enough in not pressing the assessee's second and fourth substantive grievances challenging addition(s) of Rs.103100/- and Rs.202119/- regarding unexplained purchases and difference in bank account deposits; respectively.

4. This leaves me that the third issue of disallowance of Rs.202119/- @20% of various expenses which had neither been satisfactorily explained by the assessee nor there is any justification from the lower authorities' side such a higher disallowance in principle. I therefore hold that a lumpsum estimation of 5% qua this third issue would meet the ends of justice with a rider that the same shall not be treated as precedent in any other assessment year. Necessary computation including that of interest, if any, shall follow as per law.

5. This assessee's appeal is partly allowed in above terms.

Order is pronounced in the open court on 03.03.2020.

Sd/-
(S. S. GODARA)
JUDICIAL MEMBER

Dated: 03.03.2020.

RS

Copy of the order forwarded to:

1. The Appellant
2. The Respondent
3. The CIT concerned
4. The CIT(A) -
5. The DR, ITAT, Ranchi
6. Guard File

BY ORDER

Sr. P.S., ITAT, Ranchi (on Tour)