



ITA No.4995/Mum/2018  
Mohanlal Haridas Purwat  
Assessment Year-2013-14

आयकर अपीलीय अधिकरण "एक-सदस्य मामला" न्यायपीठ मुंबई में।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
"SMC" BENCH, MUMBAI

शमीम याहया, लेखा सदस्य  
**Shamim Yahya, Accountant Member**

आयकरअपील सं./ I.T.A. No.4995/Mum/2018  
(निर्धारण वर्ष / Assessment Year:2013-14)

<b>Shri Mohanlal Haridas Purwat</b> Giridhar Nagar, Flat No.15 Building No.D-16, Warje, Pune-411 058.	<b>बनाम/ Vs.</b>	<b>Dy. Commissioner of Income Tax Central Circle-8(3)</b> 676A, 6 <sup>th</sup> Floor, Aayakar Bhavan Maharshi Karve Road Mumbai-400 020.
स्थायीलेखासं./जी आइ आरसं./PAN/GIR No. <b>AAZPP 3394 H</b>		
(□ पीलार्थी/ <b>Appellant</b> )	:	(प्रत्यर्थी / <b>Respondent</b> )

अपीलार्थीकीओरसे/ <b>Appellant by</b>	:	Ms Seema M. Lonkar-Ld. AR
प्रत्यर्थीकीओरसे/ <b>Respondent by</b>	:	Shri Chaitanya Anjaria-Ld. DR

सुनवाईकीतारीख/ <b>Date of Hearing</b>	:	19/02/2020
घोषणाकीतारीख / <b>Date of Pronouncement</b>	:	15/07/2020

**आदेश / ORDER**

**Shamim Yahya (Accountant Member):-**

1. This appeal by the assessee is directed against order of learned CIT appeal dated 06/06/2018 and pertains to assessment year 2013-14.
2. The issue raised is that learned CIT appeals erred in sustaining the disallowance of rupees 562,400 on account of unexplained gold jewellery.



3. Brief facts of the case are that pursuant to search operations at the assessee's premises certain jewellery were detected by the Department, as per the contention of Ld. Counsel of the assessee .

Items	Net Weight	Rs.
Gold Jewellery	831.74	24,21,206
Silver	7433.65	4,62,095

4. After considering the explanation and evidences submitted by the assessee the Assessing Officer made an addition of Rs.562,400 made on account of unexplained gold . This was sustained by the appeals.

5. Against the above order assessee has filed appeals before us. The Id. Counsel of the assessee contended that as against the jewellery as found in search the Assessing Officer has erred in making the addition by taking the value of gold found on search at Rs.28,83,301, which is actually the combined figure of gold and silver. Hence the assessee contended that addition of Rs.462,095 is unjustified.

6. Upon careful consideration we find that the submissions of the assessee are cogent. The Assessing Officer has started by considering the valuation of gold at the quantity of 831.74 at Rs.28,83,301 and has finally



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added a sum of Rs.562,400 as unexplained gold. However, it is the fact that actually the valuation of gold seized was Rs.24,21,206. In the valuation the silver found was Rupees 462 095, hence the inclusion of silver valued at Rupees 462 095 into gold ornaments and consequent addition to this extent is not sustainable.

7. Accordingly we direct the addition of Rupees 462,095 as not justified, and the same is directed to be deleted.

8. Another aspect of assessee's grievance is that the Assessing Officer, despite mentioning and considering the CBDT Circular in this regard has not provided the necessary relief for the jewellery described by the CBDT Circular No.1916 dated 11/05/1994. As per the assessee's contention assessee should have been granted relief of 600 gms on his and his wife's belongings. As against this, the Assessing Officer has granted relief of only 500 gms. We find that this claim of the assessee is also correct and we direct the Assessing Officer to grant the assessee the required relief as per the said CBDT Circular. In the result, appeal filed by the assessee stands partly allowed.

*Order pronounced on 15/07/2020 under Rule 34(4) of ITAT Rule.*

**Sd/-**  
**(Shamim Yahya)**  
लेखा सदस्य / **Accountant Member**



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मुंबई Mumbai; दिनांक Dated :  
Sr.PS:-Jaisy Varghese

**आदेश की प्रतिलिपि ँ ग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त(अपील) / The CIT(A)
4. आयकर आयुक्त/ CIT– concerned
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, मुंबई/ DR, ITAT, Mumbai
6. गार्डफाईल / Guard File

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)  
आयकर अपीलीय अधिकरण, मुंबई / ITAT, Mumbai.