

IN THE INCOME TAX APPELLATE TRIBUNAL

PUNE "SMC" BENCH : PUNE

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

I.T.A.No.239/PUN./2024 [E-APPEAL]

Assessment Year 2015-2016

Swarna Palace, S.No.1726, Agra Road, DHULE – 424 001. Maharashtra. PAN ABDFS2788P	vs.	The ACIT, Circle, Aayakar Bhavan, Vidya Vihar Colony, Opp. MSEB, Sakri Road, DHULE. Maharashtra.
(Appellant)		(Respondent)

For Assessee :	Shri Sanket Joshi
For Revenue :	Shri Manish Mehta

Date of Hearing :	19.03.2024
Date of Pronouncement :	14.05.2024

ORDER

This assessee's appeal for assessment year 2015-16, arises against the National Faceless Appeal Centre [in short the "NFAC"] Delhi's Din and Order No. ITBA/NFAC/S/250/2022-23/1051667776(1), dated 30.03.2023, in 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 pleads the following substantive grounds in the instant appeal :

- 1] The learned CIT(A) erred in confirming the addition of Rs.5,88,111 made by the A.O. by estimating the gross profit @ 18% as against the gross profit declared @ 16.94% by the appellant on the ground that there was a fall in gross profit rate declared by the appellant in this year as compared to the earlier year without appreciating that the said addition was not justified in law and on facts.
- 2] The learned CIT(A) failed to appreciate that in the course of the asst. proceedings, the assessee had furnished documentary evidences in support of the books of accounts which were verified by the A.O. and the A.O. had not pointed out any defects therein even after survey action u/s 133A conducted on the appellant and therefore, the A.O. was not justified in estimating the gross profit without rejecting the book results.
- 3] The learned CIT(A) erred in not appreciating that the appellant had furnished an explanation regarding fall in gross profit rate in this year and the reasons stated by the A.O. for estimating gross profit were not correct and therefore, the addition of Rs.5,88,111 made by the A.O. was not justified.
- 4] The appellant craves leave to add/ alter/ amend any of the grounds of appeal.

3. Suffice to say, the sole substantive issue between the parties is only to the extent of the estimation of assessee's gross profit claimed @ 16.9% which stands enhanced to 18% by the learned lower authorities *qua* its sales turnover of Rs.5,57,44,930/-. Coming to this limited issue between the parties involving assessee's jewellery business; I find that neither of their respective stands deserve to be accepted in entirety in absence of corresponding comparable instance having filed in the case records. It is in these peculiar facts that I deem it appropriate to re-estimate the assessee's impugned gross profits @ 17.5% with a rider that the same shall not be treated as a precedent in other case(s). Necessary computation shall follow as per law. Ordered accordingly.

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

Order pronounced in the open Court on 14.05.2024.

Sd/-
[SATBEER SINGH GODARA]
JUDICIAL MEMBER

Pune, Dated 14th May, 2024

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The Pr. CIT, Pune concerned
4.	D.R. ITAT, "SMC" Bench, Pune.
5.	Guard File.

//By Order//

//True Copy //

Sr. Private Secretary, ITAT, Pune Benches,
Pune.