

**IN THE INCOME TAX APPELLATE TRIBUNAL  
"A" BENCH, AHMEDABAD**

**BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT &  
SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER**

I.T.A. No. 1418/Ahd/2024  
(Assessment Year: 2013-14)

Bimal Ravjibhai Patel, 3, Kumbharpara, Surendranagar, Gujarat-363002 PAN : ABJPP 7976 N	Vs.	DCIT, CC-1(4), Ahmedabad
<b>(Appellant)</b>	..	<b>(Respondent)</b>

<b>Appellant by :</b>	Shri Mehul Ranpura, AR
<b>Respondent by:</b>	Shri B.P. Srivastava, Sr DR

<b>Date of Hearing</b>	12.11.2024
<b>Date of Pronouncement</b>	19.11.2024

**ORDER**

**PER DR. B.R.R. KUMAR, VICE-PRESIDENT :**

This appeal has been filed by the assessee against the order passed by the Ld. Commissioner of Income-tax (Appeals)-11, Ahmedabad (hereinafter referred to as "CIT(A)" for short), dated 27.05.2024 passed under Section 250 of the Income-tax Act, 1961 [hereinafter referred to as "the Act" for short], for Assessment Year (AY) 2013-14.

2. The assessee has raised following grounds of appeal :-

*"1. The grounds of appeal mentioned hereunder are without prejudice to one another.*

*2. The ld. CIT(A) erred on facts as also in law rejecting ground of appeal related to validity of notice issued u/s 148 of the Income tax Act, 1961. That on facts as also in law, proceedings-initiated u/s. 147 of the Act is invalid and assessment finalized on such invalid initiation deserves to be quashed and may kindly be quashed.*

*3. The Id. CIT(A) erred on facts as also in law in retaining addition of Rs. 10,50,528/- by estimating profit at the 12% on alleged on money receipt of Rs.87,54,402/- on sale of plots. The addition retained is unjustified and deserves to be deleted, may kindly be deleted.*

*4. Your Honour's appellant craves leave to add, to amend, alter, or withdraw any or more grounds of appeal on or before the hearing of appeal."*

3. The brief issue involved in this case is that the Id. CIT(A) has determined income @ 12% on the unaccounted receipt. We find that the details pertaining to the unaccounted receipt have been impounded in the course of survey conducted u/s 133A of the Act. Based on the impounded material, the assessee has shown unaccounted income as well as the unaccounted expenditure. However, the Assessing Officer has not given any benefit of the cash expenses on the ground that the assessee has failed to provide the exact nature of cash expenses. The Id. CIT(A), after considering the submissions made by the assessee, has determined the profit @ 12%.

4. Having gone through the details of unaccounted cash, we find that the net income was Rs.22.92 lakhs and the share of the assessee was 25% which comes to Rs.5.73 lakhs. The assessee has disclosed the income of Rs.10.27 lakhs in the return of income. Keeping in view the entire facts of the case, we agree with the proposition of the Id. Counsel for the assessee that the assessee is willing to pay 6% of the gross margin instead of 12% as determined by the Id. CIT(A). On going through the entire facts of the case, we find that the proposal of the assessee can be accepted on the basis of the

- 3-

estimation of income. Hence, the profit percentage is directed to be determined @ 6% instead of 12% as determined by the Id. CIT(A).

5. Since the issue is adjudicated on merits of the case, the grounds taken up by the assessee on the issue of 148 are not being adjudicated.

6. In the result, the appeal filed by the assessee is partly allowed.

**The order is pronounced in the open Court on 19.11.2024**

Sd/-

**(SIDDHARTHA NAUTIYAL)**  
**JUDICIAL MEMBER**

Ahmedabad; Dated 19/11/2024

*btk*

Sd/-

**(DR. B.R.R. KUMAR)**  
**VICE-PRESIDENT**

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

**आदेशानुसार/ BY ORDER,**

True Copy

**उप/सहायक पंजीकार (Dy./Asstt. Registrar)**  
**आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad**