

आयकर अपीलीय अधिकरण “बी” न्यायपीठ पुणे में ।
IN THE INCOME TAX APPELLATE TRIBUNAL “B” BENCH, PUNE

**BEFORE SHRI D. KARUNAKARA RAO, ACCOUNTANT MEMBER
AND
SHRI S.S. VISWANETHRA RAVI, JUDICIAL MEMBER**

आयकर अपील सं. / ITA No.687/PUN/2015

निर्धारण वर्ष / Assessment Year : 2010-11

Mr. Uttam Bhagwanrao Patil,
Udyog Bhavan Complex,
1st Floor, Shivajinagar,
Latur – 413512

PAN: AEWPP0155P

.....अपीलार्थी / Appellant

बनाम / V/s.

The Dy. Commissioner of Income Tax,
Central Circle – 2(1), Pune

.....प्रत्यर्थी / Respondent

आयकर अपील सं. / ITA Nos.278 & 279/PUN/2016

निर्धारण वर्ष / Assessment Years : 2006-07 & 2007-08

Mr. Uttam Bhagwanrao Patil,
Udyog Bhavan Complex,
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Latur – 413512

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.....अपीलार्थी / Appellant

बनाम / V/s.

The Dy. Commissioner of Income Tax,
Central Circle – 2(1), Pune

.....प्रत्यर्थी / Respondent

Assessee by : Shri Kishor Phadke

Revenue by : Shri S.P. Walimbe

सुनवाई की तारीख / Date of Hearing : 06.03.2020

घोषणा की तारीख / Date of Pronouncement : 22.06.2020

आदेश / ORDER**PER D. KARUNAKARA RAO, AM :**

The appeal in ITA No.687/PUN/2015 filed by the assessee is against order of Commissioner of Income Tax (Appeals)-12, Pune, dated 16.03.2015 for **A.Y. 2010-11**. The other two appeals filed by the assessee are directed against consolidated order of Commissioner of Income Tax (Appeals)-12, Pune, dated 01.12.2015 for the Assessment Years **2006-07 and 2007-08**.

2. Considering the Ld. AR's prayer for remanding the appeal for A.Y. 2010-11 *qua* the additional evidences (affidavit), we shall now it takes up first.

ITA No.687/PUN/2015 for A.Y. 2010-11

3. At the outset, ld. Counsel brought our attention to the grounds of appeal and submitted that the core issue raised in the grounds relate to the taxability of income earned on sale of agricultural lands. By filing an affidavit/additional evidences & synopsis in this regard, ld. Counsel submitted that the issues raised in this appeal may be remanded to the file of Assessing Officer for fresh adjudication as some relevant facts as narrated in the affidavit are not properly appreciated by the Revenue authorities.

4. On hearing both the sides on this issue of remanding, we find relevant to extract the synopsis and the same as under:-

"A. Brief Facts:

Appellant was subjected to survey proceeding u/s 133A of the ITA, 1961. During the course of survey proceeding, certain pages were impounded. Out of those page, at Page No.1 & 2, certain rough noting were made w.r.t. land transaction (Refer Page No. 5 to 8 of Paper Book-1). The learned AO on the basis

of noting observed that the amounts mentioned therein is different as compared to that recorded in the books of accounts and accordingly made addition of the differential amount under the business income instead of capital gain on the analogy that appellant is regularly dealing in land. The summary of additions made is as follows:

Land	Amount as per impounded pages	Amount as per agreements	Differential amount taxed by AO	Period of holding
Latur Road Land	97,00,000	7,50,000	89,50,000	20 days & 2 month 4 days
Bothi Land	11,75,000	5,00,000	6,75,000	17 month 5 days
Chakur Land	33,00,000	16,00,000	17,00,000	138 months
Total			1,13,25,000	

Against the order of the learned AO, appellant was in appeal before the learned CIT(A)-12, Pune. The learned CIT(A)-12, Pune granted relief to appellant w.r.t. Chakur land by holding the same as capital gain and upheld the decision of the learned AO w.r.t. Latur Road and Bothi land.

B. Ground-wise submission:

Appellant is making following ground-wise submission:

1. Ground No.1 to 3 - Latur Road Land

The learned CIT(A)-12, Pune; upheld the addition made by the learned AO. The learned CIT(A)-12, Pune and the learned AO, treated the transaction as adventure in nature of trade on the analogy that the said land was held for a very short period i.e. for 20 days and for 2 month 4 days. Further, it was also objected that as per impounded pages, the land is sold for Rs.97,00,000/- whereas appellant has considered amount of only Rs.7,50,000/- for computation of capital gain.

a) Summary of purchase and sale of land at Latur Road - GAT No. 37:

A brief summary of purchase and sale of land at Latur Road is as follows:

Particulars	Purchase Details	Sales Details	
Date of Agreement	05/01/2010	25/01/2010	20/03/2010
Purchaser	Uttam Bhagwanrao Patil	Keshavrao Jadhav & Shivhar Swami	Kesale Developers
Seller	Pandharinath Munde	Uttam Bhagwanrao Patil	Uttam Bhagwanrao Patil
Consenting Party	Sudhakar Mohanalkar	-	-
Area	11R	5R	6R
Consideration	1,00,000	3,75,000	3,75,000

<i>Paper Book Reference Marathi Document</i>	<i>PageNo.13 to 23 Of Paper Book-1</i>	<i>Page No.25 to 36 of Paper Book-1</i>	<i>Page No.46 to 54 of Paper Book-1</i>
<i>Paper Book Reference English Document</i>	<i>Page No.167 to 168 of Paper Book-11</i>	<i>Page No.169 to 170 of Paper Book-11</i>	<i>Page No.171 to 172 of Paper Book-11</i>

b) Reason for purchase and sale of land in short duration:

As per facts, appellant was holding land at GAT No.36 which is adjustment to land at GAT No.37. Appellant purchased the said land in the year 1986. Unintentionally, there was some encroachment of land by appellant at GAT No.37, which belonged to Mr. Sudhakar Mohanalkar. As per facts, Mr. Sudhakar Mohanalkar sold the land admeasuring 1H 11R at GAT No.37 to Mr. Munde on 16/12/2006. When Mr. Munde came to take possession of land, it was found that 11R was in possession of appellant. As a result case was filed by Mr.Sudhakar Mohanalkar against appellant. Subsequently, settlement terms were reached between the parties and it was decided that appellant would purchase the said encroached land (Refer Page No. 175 to 179 of Paper Book-II). Further, the Honourable Civil Court, Chakur also accepted the settlement terms (Refer Page No. 180 to 186 of Paper Book-II). Appellant sold the said land in short duration as it was a compelled purchase. Appellant is also submitting herewith an Event Chart w.r.t. land at GAT No.37 at Latur Road. Same is attached herewith and is marked as Annexure-1. It is submitted that the above referred settlement terms and order of the Honourable Civil Court, Chakur could not be placed before the learned AO and the learned CIT(A)-12, Pune and are in the nature of Additional Evidence. It is submitted that these documents are crucial to come to conclusion that whether appellant has carried out activity in nature of trade or not. As such, appellant requests the Honourable Bench to kindly remit the matter to the file of the learned AO for fresh verification.

c) Consideration of Rs.97,00,000 as against Rs.7,50,000:

The learned AO and the learned CIT(A)-12, Pune has concluded that appellant has received amount of Rs.97,00,000/- as against actual consideration of Rs.7,50,000/- for sale of land admeasuring 11R i.e. around 1,100 Sq. Mtr. Appellant has sold that land at a rate of Rs.681 per Sq. Mtr. Whereas if the consideration of Rs 97,00,000/- is considered, the rate will be around Rs.8,818/- per Sq. Mtr. which is highly impossible. This aspect was also not considered by the learned AO and the learned CIT(A)-12, Pune. As such, appellant requests the Honourable Bench to kindly remit the matter to the file of the learned AO for fresh verification.

2. Ground No. 4 - Bothi Land Consideration of Rs.11,75,000 as against Rs. 5,00,000:

The learned CIT(A)-12, Pune; upheld the addition made by the learned AO. The learned CIT(A)-12, Pune and the learned AO, treated the transaction as adventure in nature of trade on the analogy that the said land was held for a very short period i.e. for 17 month 5 days. Further, it was also objected that as per impounded pages, the land is sold for Rs.11,75,000/- whereas appellant has considered amount of only Rs.5,00,000/- for computation of capital gain.

The learned AO and the learned CIT(A)-12, Pune has concluded that appellant has received amount of Rs.11,75,000/- as against actual consideration of Rs.5,00,000/- for sale of land admeasuring 21R i.e. around 2,100 Sq. Mtr. Appellant has sold that land at a rate of Rs.238 per Sq. Mtr. Whereas if the consideration of Rs.11,75,000/- is considered, the rate will be around Rs.559/- per Sq. Mtr. which is more than double the price at which appellant has sold the land. This aspect was also not considered by the learned AO and the learned CIT(A)-12, Pune. As such, appellant requests the Honourable Bench to kindly remit the matter to the file of the learned AO for fresh verification.

3. Prayer:

Considering the Additional Evidences and the fact that all the aspects has not been considered by the learned AO and the learned CIT(A)-12, Pune; appellant requests the Honourable Bench to kindly remit the matter to the file of the learned AO for fresh verification.

Kindly take the above submission on record and oblige.

Thanking You,

Yours Faithfully,

*Sd/-
Uttam Bhagwanrao Patil
Appellant"*

5. The aforesaid transactions are not straight forward ones. They involve litigations legally. There is backward and forward movement of the parties in the transactions. The background reasons are narrated in the note given to the Bench (extracted above.)

6. In view of above, without going into the merits, we proceed to remit the issues raised in the present appeal to the file of Assessing Officer for fresh adjudication as prayed by the ld. Counsel. Further, we have considered the Ld. DR's opposition to the remand request of Ld. AR. The Assessing Officer is directed to re-adjudicate the said issues and grant reasonable opportunity of being heard to the assessee. The AO shall also consider the contents of the Affidavit dated 26.02.2020 at the time of remand proceedings. Thus, grounds raised by assessee are allowed for statistical purposes.

7. In the result, the appeal of the assessee is allowed for statistical purposes.

ITA Nos.278/PUN/2016 & 279/PUN/2016 for A.Ys. 2006-07 & 2007-08

8. The appeals in ITA Nos.278 & 279/PUN/2016 are connected appeals. Additions were made based on the same impounded papers. Therefore, we take ITA No.278/PUN/2016 for reference of facts and the events.

ITA No.278/PUN/2016 for A.Y. 2006-07

9. Briefly stated the relevant facts include that the assessee is related to Shraddha Group of cases. The assessee filed return of income originally declaring total income of Rs.19,29,590/- for this assessment year. In this case, the regular assessment was made u/s 143(3) of the Act on 29.08.2008 determining the assessed income at Rs.22,39,100/-. Subsequently, there was search and seizure action in the case of Shraddha Group of cases on 08.09.2010. In this context, a survey action was also conducted on assessee too, which resulted in impounding of certain papers containing certain hand-written entries / figures. In the background of the same, the assessment was reopened u/s 148 of the Act recording the reasons (page 43 of Paper Book). During re-assessment proceedings, there was discussion about the impounded papers (pages 28 and 29) in connection with some transactions with **Shri Vishnu Bhutada of Latur** (assessee's friend). In these papers, there are some transactions recorded by assessee by his own handwriting. The figures are mentioned in coded form and the de-codification of the same

is the main bone of contention before the I.T. Authorities as well as before the Tribunal. The figures were decoded by the Revenue and the contents of para 17 of the assessment order provides the fact of de-codification. So far as the addition in this assessment is concerned, for the sake of completeness, paras 17, 18 and 19 are extracted as under:-

“17. In view of all the abovestated facts, it is hereby held that the notings on page no.6 pertain to assessee’s own transaction & belong to assessee only. In statement recorded on oath u/s. 131, the assessee has clearly stated that the said notings are not recorded in his books of account. Assessee has claimed that entries made on the said page on various dates ranging from 09/09/2005 to 27/10/2005 are in thousands however because of the reasons mentioned above, the stand cannot be accepted and the total of the amounts as tabulated below is hereby considered as undisclosed income of the assessee for A.Y. 2006-07 and is hereby added to the returned income of the assessee.

Sr. No.	Date	Noting	Amount involved	Remarks
1	-	6.75	6,75,000/-	It pertains to date prior to April 2006
2	05/02/2005	75000	75,000/-	It pertains to date prior to April 2006
3	-	5.00	5,00,000/-	It pertains to date prior to April 2006
4	11/04/2005	1.00	1,00,000/-	
5	20/09/2005	.50	50,000/-	
6	09/09/2005	100.00	1,00,00,000/-	Discussed above in detail
7	13/09/2005	30	30,00,000/-	Same as above
8	20/10/2005	70.00	70,00,000/-	Same as above
9	20/10/2005	50.00	50,00,000/-	Same as above
10	27/10/2005	80.00	80,00,000/-	Same as above
11	06/12/2005	1.50	1,50,000/-	
12	06/12/2005	12	12,00,000/-	
13	27/01/2006	75.00	75,00,000/-	
14	08/02/2006	9,100	9,100/-	
15	16/02/2006	10,000	10,000/-	
		Total	4,32,69,100/-	

18.

19. The other details/documents submitted by the assessee have been perused. In view of the submission made by the assessee, the Total Income of the assessee is computed as under:-

Assessed income u/s. 143(3)	Rs.	22,39,100/-
Add:- as discussed in the order	Rs.	4,32,69,100/-
Assessed Total Income	Rs.	4,55,08,200/-

”

10. Items in the table at Sr.No.1, 2 & 3 (Rs.6.75 lakhs + Rs.75,000/- + Rs.5 lakhs = Rs.12.50 lakhs) pertains to the assessment year prior to A.Y. 2006-07.

11. From the above, it is evident that as per the AO, the figures appearing on loose sheets are to be interpreted “in lakhs”. To specify, the figure “1.50” appearing on loose sheet is interpreted as Rs.1,50,000/-; the figure of “100.00” is interpreted as Rs.1,00,00,000/-, etc. Therefore, re-assessment resulted in the addition of Rs.4,32,69,100/- (refer to the table on prepare). Further, the Assessing Officer added the sum of Rs.12.50 lakhs to A.Y. 2006-07 ignoring the fact that they relate to the earlier assessment years. On the other hand, as per the assessee, the summary of these figures on the papers after de-codification should work out to only Rs.12,29,100/- and contested the AO’s method of decodification process. While make addition of Rs.4,32,69,100/-, AO rejected the assessee’s figure of Rs.12,29,900/- by mentioning the following in para 8 of the assessment order:

“8. A last opportunity was given to the assessee to explain each entry alongwith documentary evidences in support of the same. The assessee filed a letter dated 10/03/2014 whereby he claimed that the entries on page no.6 of Bundle no.1 are the temporary advances received & repaid to his friend Shri Vishnu Bhutada of Latur and the total amount involved was Rs.12,29,900/-. On 11/03/2014, the AR also filed a confirmation letter from Shri Vishnu Bhutada whereby he stated that the amount involved is Rs.12,29,100/- and this amount was given by him to the assessee out of his undisclosed sources of income.”

12. Thus, the dispute revolves around the correctness of the AO’s addition of Rs.4,32,69,100/- against assessee’s figure of Rs.12,29,900/- qua the method of decodification of the entries on the impounded papers. We need to interpret the figures whether to be decoded into lakhs or crores or into other denominations, if any. Otherwise, the re-assessment was made on Rs.4,55,08,200/-.

Before CIT(A)

13. Before the CIT(A), the assessee argued finding faults with the re-assessment made by the Assessing Officer in general and the way the figures were decoded in particular. The way the transactions, which took place in assessment years 2004-05 and 2005-06 were also found added in the current assessment year of 2006-07. These aspects were questioned before the CIT(A) vide ground No.9 (nine). At the end of the first appellate proceedings, CIT(A) deleted the entries pertaining to A.Ys. 2004-05 and 2005-06 and granted part relief to the assessee for A.Y. 2006-07. Otherwise, the CIT(A) dismissed the appeal of assessee for both A.Ys. 2006-07 & 2007-08.

14. Aggrieved with the above decision of CIT(A) for both the assessment years 2006-07 and 2007-08, the assessee is in appeal before the Tribunal. The **grounds relevant for A.Y.2006-07 and 2007-08** are extracted as under:-

"A.Y. 2006-07

1. *The learned CIT(A)-12, Pune erred in law and on facts in upholding the addition of Rs.4,32,69,100/- made by the learned DCIT, Central Circle 2(1), Pune (herein after referred to as the learned AO) on the basis of transactions noted on page no. 6 of bundle no.1 of the impounded papers during the course of survey, u/s 133A of the ITA,1961.*
2. *The learned CIT(A)-12, Pune erred in law and on facts in sustaining the validity of the u/s 148 of the ITA, 1961; without appreciating that the "reason" recorded for 147 proceeding did not survive subsequently. The learned CIT(A)-12, Pune erred in confirming the addition on totally different matrix than that emanating from the recorded reasons.*
3. *The learned CIT(A)-12, Pune erred in law and on facts in upholding notice u/s 148 of the ITA, 1961 issued by the learned AO is a valid notice. The learned CIT(A)-12, Pune ought to have appreciated the fact that the notice u/s 148 of the ITA, 1961 was issued merely on the basis of "suspicion" and for "verification" of likelihood of any escapement of income.*
4. *The learned CIT(A)-12, Pune erred in law and on facts in upholding the addition of Rs.4,32,69,100/- made by learned AO without appreciating the fact that no any material / evidence was brought on record by learned AO to substantiate that appellant had earned undisclosed income.*

5. *The learned CIT(A)-12, Pune and the learned AO erred in law and on facts in not accepting the appellant's version of deciphering of loan transaction at page no. 6 of bundle no. 1 of the impounded papers with Mr. Vishnu Bhutada. The learned CIT(A)-12 and the learned AO ought to have appreciated the appellant's version of deciphering and that the same was supported by confirmation of Mr. Vishnu Bhutada and appellant's statement recorded u/s 131 of the ITA; 1961 by the learned AO.*
6. *The learned CIT(A)-12, Pune erred in law and on facts in placing reliance on the remand report of the present learned AO, though the present learned AO has taken contrary view from that of the erstwhile learned AO of Cent. Circle 2(1), Pune and the learned AO of Latur making assessment in case of Mr. Vishnu Bhutada for AY 2007-08.*

A.Y. 2007-08

1. *The learned CIT(A)-12, Pune erred in law and on facts in upholding the addition of Rs.5,50,000/- made by the learned DCIT, Central Circle 2(1), Pune (herein after referred to as the learned AO) on the basis of transaction at page no.6 of bundle no.1 of the impounded papers during the course of survey.*
2. *The learned CIT(A)-12, Pune and the learned AO erred in law and on facts in making addition of Rs.5,55,000/- as undisclosed income. Learned CIT(A)-12, Pune ought to have appreciated, the said amount has already been taxed in the hands of Mr. Vishnu Bhutada during his assessment proceeding for AY 2007-08 as undisclosed income and thereby leading to double taxation.*

Before the Tribunal

15. Before the Tribunal, ld. Counsel summarized the above facts of the case and filed the Paper Book containing various documents necessary for adjudication of the appeals.

16. On the **de-codification issue**, ld. Counsel brought our attention to pages 28 and 29 of Paper Book and submitted that the figures are related to the transaction of advances received and repaid to Shri Vishnu Bhutada. Shri Vishnu Bhutada lives in Latur and he is engaged in the business of trading fire crackers. His business is of small turnover only. The details appearing on pages 28 and 29 refers to the amount payable as on 31.03.2005 (Rs.7.5 lakhs) for A.Y. 2005-06. This also refers to the refund of advance of purchase of land of Rs.5 lakhs and various advances taken subsequently

upto 11.09.2006. Thus, Ld. AR demonstrated that Shri Vishnu Bhutada is not of worth crores of transactions as made out by the AO.

17. Referring to the way the figures in codes, ld. Counsel submitted the said pages mostly contain full figures only i.e. “9100” on 08.02.2006, 10,000 on 16.02.2006, 50,000 on 23.06.2006, etc. Referring to page 27, Ld. AR mentioned that the figures written in full stands demonstrated. The same is accepted by the AO too. Considering the variation appearing in those two pages of Paper Book, ld. Counsel mentioned that the assessee, sometimes, wrote full figures and other times wrote figures in codes. Thus, there is no consistent way of writings of figures either in codes or in full forms. The requirement of interpretation of figures with de-codification is required to be done considering the facts relating to overall the small turnover of Shri Vishnu Bhutada. Mentioning that the assessee is also small contractor and also mentioning Shri Vishnu Bhutada is also not a very big businessman, ld. Counsel mentioned that there were never any business transactions worth in crores between these two individuals. It is also pointed out the AO never made out a case against the assessee on this fact of people with small businesses. Therefore, de-codification of the figures into crores is absolutely absurd and therefore, re-assessment made by the Assessing Officer is required to be quashed and the additions need to be deleted. In this regard, ld. Counsel filed an affidavit stating that in an example “100.00” is only Rs.1 lakh and not Rs.1 crore. At the same time, “150.00” is Rs.15,000/- and not Rs.1,50,000/- as interpreted by the AO. Further, ld. Counsel mentioned that figure written as “100.00” or figure written as “1.50” is not written on the same day as evident from the face of the dates mentioned therein. Depending

on the mood, timing and mind of the writer of the writing of these figures in codes, they are to be considered in lakhs only or sometimes in thousands, as the case may be. The Ld. AR strongly argued that the transactions were never in crores at all. Considering the same, it is prayer of the ld. Counsel that figures should be decoded into lakhs/thousands only and not in crores.

18. On the other hand, Ld. DR relied on the orders of Assessing Officer and CIT(A).

19. We have heard both the sides. On hearing both the sides, we find following are some of undisputed facts:

20. Smaller worth claim: It is undisputed fact that the Revenue did not make out a case to demonstrate that the assessee and Shri Bhutada are large businessmen to enter into transactions worth crores of advances. The assessee on one side and Shri Vishnu Bhutada of Latur on the other side, are not such a big businessmen that should involve the transactions in crores. Revenue has not brought out any contrary information which goes in favour of interpretation of figures in crores. Secondly, the perusal of figures found in the seized papers [which are extracted in para 5.8 of CIT(A) order] does not indicate there is consistency in recording the figures. The writer wrote figures in codes as well as full figures are written. With reference to the figures in lakhs or crores or otherwise, the figures are written sometimes full figures such as "7,50,000", "10,000", "9100", "40,000", "25,000", "25,000", "75,000", "15,000", "25,000" and sometimes, in short forms such as "1.00", "0.5". Thirdly, no statement was given by the assessee either during survey action or search action, but the figures written in codes represent the figures in

crores. Although, the onus is on the assessee to interpret the figures in a meaningful manner, the Revenue always rejects assessee's interpretation instead of displaying the judicious approach. Further, the Revenue has not brought any corroborative evidence on record linking these figures to any specific transactions.

21. Considering the above facts as well as the discussion / reasoning, we are of the considered opinion that attributing crores to the figures, when the parties involved are never worth in crores, is not appropriate and therefore, unsustainable in law. Having interpreting "100" as one crore and interpreting 1.0 as one lakh, in our opinion is not appropriate. Therefore, in the absence of any corroborative evidence, Revenue's stand of making any evidence worth of Rs.4,32,69,100/- is not appropriate and therefore, unsustainable in law.

22. Further, the addition of Rs.12,50,000/- which pertained to the period prior to the A.Y. 2006-07 has to be deleted as it pertains to earlier A.Y.

23. Considering the above reasoning, we are of the considered opinion the amount involved in these transactions should not exceed Rs.12,29,100/-. Accordingly, we order the AO to adopt the same and re-assess the same. Accordingly, ground No.1, 4, 5 and 6 are allowed.

24. Considering the relief granted to assessee on these grounds as argued by the Ld. Counsel, adjudication of the issues relating to ground No.2 and 3 relating to reopening of assessment u/s 148 of the Act, becomes academic exercise. Accordingly, they stand dismissed.

25. In the result, appeal of assessee is partly allowed.

ITA No.279/PUN/2016 for A.Y. 2007-08

26. The only issue raised in this appeal relates to the upholding of addition of Rs.5,50,000/- made by the Assessing Officer.

27. The background facts for the addition of Rs.5,55,000/- includes that, the AO made addition relying on entries in the seized paper No.6 in this reassessment. The relevant entries from the seized paper includes the below mentioned items:

“50000	23/6/2006
3.00	14/7/2006
40000	26/7/2006
25000	27/7/2006
25000	25/7/2006
75000	29/7/2006
15000	3/8/2006
25000	1/9/2006”

28. In the process, the AO adopted fully mentioned figures without any interpretation or decodification. However, when it comes to the coded figures of 3.00 (14/7/2006) and 50,000 (23/6/2006), with regard to figure 3.00, it was interpreted as lakhs. The CIT(A) confirmed the same without any changes.

29. Before us, Ld. Counsel reiterated the arguments made before us in connection with the additions made relating to appeal in A.Y. 2006-07. While

adjudicating the issue relating to decodification, we have held that interpretation of figures into crores is not sustainable considering the smaller nature of the people involved and their business turnovers. When it comes to decodification of figures into lakhs, we find that there is no justification to alter interpretation of AO / CIT(A). Therefore, we are of the considered opinion that the addition made by AO / CIT(A) is sustainable. Accordingly, the grounds raised by assessee are dismissed.

30. In the result, appeal of assessee for A.Y. 2010-11 is allowed for statistical purposes, appeal for A.Y. 2006-07 is partly allowed and appeal for A.Y. 2007-08 is dismissed.

Order pronounced in the open Court on 22nd June, 2020.

Sd/-
S.S. VISWANETHRA RAVI
JUDICIAL MEMBER

Sd/-
D. KARUNAKARA RAO
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 22nd June, 2020.
GCVSR

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent
3. The CIT (Appeals)-12, Pune.
4. The CIT(Central), Pune.
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "बी" बेंच,,
पुणे / DR, ITAT, "B" Bench, Pune.
6. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

//सत्यापित प्रति// True Copy//

वरिष्ठ निजी सचिव / Sr. Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune