

आयकर विभाग

INCOME-TAX DEPARTMENT

PAN. 45-421-PY-0086

जिला/District : Hyderabad : Dt. 17-3-1989.

1. कर निर्धारण वर्ष
Year of Assessment 1986-87
2. अश्वेतिकी का नाम (पूर्ण पता सहित)
Name of Assessee (with complete address) Sri Satishchandra Modi, 5-4-187/3 & 4,
Karbala Maidan, Secunderabad.
3. हेतियत*
Status* Individual.
4. क्या—निवासी
निवासी परन्तु साधारणतः निवासी नहीं
अनिवासी
Whether—Resident
Resident but not ordinarily resident
Non-resident Resident.
5. लेखा-विधि
Method of accounting Mercantile
6. लेखा अवधि (आय स्रोत के लिए इसे अलग दिखाएं)
Accounting period (to be shown separately
for source of income) 12-11-1985.
7. किस धारा और उप-धारा के अधीन कर निर्धारण किया गया
Section and Sub-Section under which the
assessment is made. 143 (3)

कर निर्धारण आदेश
ASSESSMENT ORDER

The assessee is an individual having 25% share in the partnership firm viz., M/s Meera Industries. Apart from the income from the above firm, the assessee also got income from own business and income from other sources apart from a small income under the head 'Long term capital gains' during the asst. year under consideration. The assessee closed his personal books of account as on Divali 1985 and filed the

*क्या व्यक्ति, अविभक्त हिन्दू परिवार, कंपनी, स्थानीय प्राधिकार, रजिस्ट्रीकृत या अरजिस्ट्रीकृत फर्म, व्यक्तियों की संख्या व्यक्तियों का निकाय।

*Whether individual Hindu undivided family, company, local authority, registered or unregistered firm, association of persons body of individuals.

return of income on 27-3-1987. The return is supposed to have been filed under the 'Amnesty Scheme'. However, the assessee did not disclose any additional income as required under the Scheme. Therefore, the assessment is taken up for regular scrutiny.

2. Sri Anil Kumar Vithlani, C.A. and A.R. of the assessee appeared from time to time, produced assessee's personal books of account and also filed replies to the questionnaire issued. The assessee's A.R. also filed confirmation letters from loan creditors together with their full addresses and Incometax GIR.Nos.

3. The assessee has taken land on lease from Investa Chemical under an Agreement (copy of the agreement is filed). This was shown in the last asst. year also. This year, the assessee claimed a total expenditure of Rs. 1,98,351/- under the following heads :

Licence fees	...	Rs. 1,20,000/-
Financier's consideration.		Rs. 72,000/-
Repairs	...	Rs. 3,232/-
Non-agri. land	by ...	Rs. 3,119/-
		Rs. 1,98,351/-

Against this expenditure, a sum of Rs. 1,93,920/- is shown as rent received from the tenant viz., T.V.S. It was held right from the asst. year 1983-84 onwards that the income or loss in the process of development of Rasoolpura property and letting it out should be assessed under the head 'Other sources' and not under the head 'Business'. For the elaborate reasons given in the asst. year order of the assessee for the A.Y. 1983-84, income from Rasoolpura property is treated as 'Income from other sources'.

Expenditure as claimed	...	Rs. 1,98,351
Less:- Lease rent received from T.V.S.		Rs. 1,93,920
Loss under the head 'Other sources'		Rs. 4,431

4. The assessee took on lease land belonging to two more persons and a property which he received on dissolution of R.S. & Co., a firm in which he was a partner. The first two properties are taken from (1) Seth group located at Rasoolpura, Begumpet

admeasuring 770 sq. metres for development under an Agreement (copy of agreement filed) and incurred an expenditure of Rs. 1,16,876/-. For the reasons elaborately discussed in earlier years, this is not treated as revenue expenditure and the same is disallowed. (2) The assessee has taken yet another piece of land admeasuring sq.mts. located at Begumpet from one Sri Purushotham for development and incurred an expenditure of Rs. 85,379/-. For the same reasons as stated above, the expenditure claimed on account of revenue is disallowed. (3) Rasoolpura property (R.S. & Co.,) :- Sri Satish Modi was a partner in the above stated company along with one Mr. Ramesh. The firm was carrying on similar kind of business i.e., development of property taken on lease. The above partnership was dissolved on 19-6-1985 with retrospective effect from 1-4-1985. Towards his share, the assessee got land admeasuring 3,000 sq. yards with constructed area of 27,000 sft. This built up area which he received on partition was let out to M/s Modi Builders and received a sum of Rs. 35,400/- by way of rental income & (gross and net). (The assessee sold away 10,650 sft. out of 27,000 sft. to Sri Bhagavandas Parekh Family Trust - vide sale deed executed on 4-11-1985 for a total consideration of Rs. 2,75,000/- (copy enclosed). In this transaction, he did not make any profit, in fact, according to his calculation, there was a loss of Rs. 1,111/- which is ignored).

Income from S.M. Modi Commercial Complex (rental income - net)	...	Rs. 1,07,803/-
Income from other sources :- As returned.	...	Rs. 22,348/-
Income from Long-term capital gains :- As returned.		13,920/-

ABSTRACT OF TOTAL INCOME.

BUSINESS :-

Share income from M/s Meera Industries taken provisionally subject to & revision u/s 155.	Rs. 37,051
<u>Own business : (S.M.Modi Commercial Complex) :</u>	
Income as returned is accepted.	Rs. 1,07,803

Business income	Rs. 1,44,854

OTHER SOURCES :-

Loss from Investa Chemicals as discussed in para 3 above.	(-) 4,431	
Income from Rasoolpura property. (R.S. & Co.,).	35,400	
Income declared by the assessee.	22,348	
Income from other sources.	53,317	Rs. 53,317

	B/f	Rs. 1,98,171	
Income from Long term capital gains as shown.		Rs. 13,920	
		<u>Rs. 2,12,091</u>	
Less :- Reduction u/s 80-T and 80-VV as claimed		Rs. 10,660	
		<u>Rs. 2,01,431</u>	or
NET TAXABLE INCOME		<u>Rs. 2,01,430</u>	

Note :- Reduction u/s 80-C is not allowed in the absence of filing of LTP receipts.

Tax calculation :-

Tax payable	...	Rs. 79,965
Less:- Advance-tax /aod	...	Rs. 5,650
		<u>Rs. 74,315</u>
Add :- 215 interest	...	Rs. 32,506
Total tax payable	...	<u>Rs. 1,06,821</u>

Penalty proceedings u/s 273(2)(a) are separately initiated.

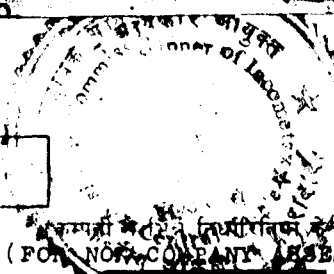


(Y.R. RAO)
Asst. Commissioner of Incometax,
Central Circle-I : Hyderabad.

Copy to the assessee.

SARMA/*

No.



Office
A.C., CC-I

Code No.
010101

12
12
Month of Account

प्रथम प्रतिपत्र—
(अन्वेषी लेखा अधिकारी के लिए)
1st Counterfoil— (To be sent to the Z.A.O.)

(FOR NON-COMPANY ASSESSEES)

Income Tax

निर्णयित कर
TAXES ON INCOME OTHER
THAN CORPORATION TAX

नियमित निर्धारण कर
TAX ON REGULAR
ASSESSMENT

Permanent Account No. 45-421-PY-0086

निर्धारण वर्ष
Assessment year 1986-87

* डी. एच. सी. नं. आर. नं.
D & C.R.NO. P-11A/48/P28/88.79

पता और सम्पूर्ण
Address (स्पष्ट अक्षरों में लिखें)
Address and complete address

प्रीमिस नं./रोड/स्ट्रीट/स्थान/
Premises No./Road/Street/Locality/
City/District/State (Use BLOCK Letters) 5-4-187/3-4, Pin/Pin

व्यक्ति का स्थिति
Status Individual Karbala Istaidan, Saundarabaf.

निर्धारण क्षेत्र
Tax Ward/Circle/District in which assessed. Central circle, Hyd.

Details of tax paid

Nature	रु. (अंकों में) Rs. (In figures)	योग (निकटतम रुपये तक पूर्णांकित) Total (rounded off to the nearest rupee)
Income tax	7435	रु./Rs. 1,06,821/-
Surcharge		
Interest		(अंकों में/In figures) रुपये/Rupees one lakh six thousand eight hundred and twenty one only (शब्दों में/In words)
Securities	139	
	215	
	216	
	217	
St./E.F.I.		
St./B.P.T.		

किया जाता है कि उपरलिखित राशियाँ सही हैं
I certify that the amounts specified above are correct.

प्राप्ति पर स्वीकार दे -
Receive and grant receipt.

17/3/87
Date

Assistant Commissioner of Income Tax
Central Circle I, Hyderabad.