



GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
OFFICE OF THE PRINCIPAL
COMMISSIONER OF INCOME TAX
PCIT, Rajkot-1

Approval u/s 151 of the IT Act, 1961

PAN: AEPB6296Q	Assessment Year: 2020-21	Date: 20/03/2024	DIN: ITBA/AST/S/118/2023-24/1063045079(1)
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1	Name of the assessee	KISHORBHAI CHANDIRAM BHAGTANI
2	Address and e-mail of the assessee	JAY DEPARTMENT STORE ROYAL HALI, OPP. GINAR CINEMA, PHULCHHAB CHOWK, RAJKOT / maheshhpada@yahoo.co.in
3	PAN	AEPB6296Q
4	Status	Individual
5	Circle/ Ward/ Range/ CIT Charge	ITO WD 2(1)(1), RKT / JCIT RANGE 2(1), RAJKOT / PCIT, Rajkot-1
6	Assessment year	2020-21
7	The quantum of income which has escaped assessment	3000000
8	Approval needed for	Issue of notice u/s 148 where there is no requirement for passing order u/s 148A(d) u/s 149(1)(b) - for 3 years
9	Time limit for current proceedings covered under	31/03/2024
10	Limitation date for issuance of notice u/s 148	31/03/2024
11	Whether the show cause notice u/s 148A(b) contains the details of the information as per explanation-1 of Section 148	No
12	(i) Enquiry conducted (if any) u/s 148A(a)	N/A
	(ii) Whether the show cause notice u/s 148A (b) contains the details of results of enquiry conducted 148A (a)	N/A
13	Date of issue of show cause notice to assessee u/s 148A(b)	
14	Date by which assessee was required to submit reply to show cause notice u/s 148A(b) or the final extended date	N/A
15	Whether any reply received from assessee u/s 148A(b)?	N/A
16	Whether personal hearing requested by assessee	N/A
17	Whether the provision of Sec. 150(1) are applicable	
18	Reasons for the belief that income has escaped assessment.	Refer Annexure for reasons.
19	Recommendations of the Additional Joint CIT	Remarks: On perusal of proposal submitted by the Assessing Officer on the basis of incriminating data/documents/books of accounts found &

JAYAKAR BHAWAN, RACE COURSE RING ROAD, RAJKOT, Gujarat, 360001
Email: RAJKOT.CIT@INCOMETAX.GOV.IN

Note: - The website address of the e-filing portal has been changed from www.incometaxindiaefiling.gov.in to www.iceportal.gov.in
* DIN: Document Identification No.





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		seized from the premises of Shri Harisingh Suchaniya key person of Suchaniya Group during search operation on Real estate builders of Rajkot and their key associates, it is found to be a fit case wherein notice u/s 148 can be issued. Accordingly, the proposal is being forwarded for necessary sanction before issuance of notice u/s 148 of the I.T. Act, 1961. (i) In this case, prior approval of PCIT-1, Rajkot has been obtained in terms of provisions of Explanation 2 of section 148 of the I.T. Act. (ii) In view of the facts narrated earlier, I am satisfied that the above referred incriminating digital data/documents/books of accounts found & seized from the premises of the Shri Harisingh Suchaniya key person of Suchaniya Group contained information pertaining to / and information contained therein relates to the assessee. (iii) As three years have not elapsed from the end of the relevant assessment year, the PCIT-1, Rajkot is the specified authority as per provisions of 151 of the IT Act. Therefore, based on the above observations, which originate from the material/information available on record with the AO, income to the tune of Rs.2000000/- has escaped assessment for the year under consideration within the meaning of clause (iv) of explanation 2 to sec. 148 of the Act and a fit case for issue of notice u/s 148 of the IT Act, 1961. Name: BALAJI DEBABRATA GUPTA Designation: JCIT-RANGE 2(1), RAJKOT Date: 19/03/2024
20.	Recommendations of the CIT/PCIT (where CCIT/PCCIT is the specified authority)	Remarks: N/A Name: N/A Designation: N/A Date:
21.	Recommendations of the CCIT (where PCCIT is the specified authority)	Remarks: N/A Name: N/A Designation: N/A Date:
22.	Reasons for according approval/rejection by the specified authority for issuance of notice under section 148 of the Income Tax Act, 1961?	Remarks: I have gone through the satisfaction recorded by the AO and approved by this office vide PUC dated 15.03.2024 where the AO is in possession of documents and evidences which suggests that the income chargeable to tax has escaped assessment in the case of this assessee for the A.Y. 2020-21. Therefore, I am satisfied on the reasons recorded by the Assessing Officer that this is a fit case for issue of notice u/s 148 of the Income Tax Act in the case of this assessee. As three years have not elapsed from the end of





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	relevant assessment year, I, as the specified authority u/s. 151 of the IT Act hereby approve the proposal to initiate proceedings u/s 148 of the Act r.w.s. 147/143(3) of the Act in this case. Name: ALOK SINGH Designation: PCIT, Rajkot-1 Date: 20/03/2024

ANNEXURE

Brief details of source of information collected/received by the AO:

1. A Search, Seizure and survey action was carried out by the office of the DDIT (Inv.) , Unit-1 , Rajkot in case of the leading real estate builders of rajkot and their key associates on 24.08.2021 . Four different groups were covered in the operation . Suchariya Group was one of them. All the four groups are in the business of real estate and are mainly concentrated in and around Rajkot . A total of 43 premises were covered out of which 32 premises were covered under section 132 of the I.T. Act , 1961 and the other 11 were covered under 133A of the I.T. Act , 1961 . The premises covered were a mix of residential and business premises of their realtedentities , their family members , key associates and employees.

2. During the search and seizure action at the residence of ShriHansinghSucharia , certain incriminating documents containing details of unaccounted cash transactions of the project "**Pragati Shopping Center**" were seized. "**Pragati Shopping Center**" is a commercial project situated atShaparveraval and developed by the firm.

3. The seized documents are the print outs of the various ledgers which contain capital account statements of partners , ledger of sale of showrooms / units of Pragati Mall. These ledgers contains details of cash as well as banking transactions . It is seen that the transactions performed through bank are duly reflected in the bank statement of ShriSadguruDevelopers , which proves the correctness of the transactions recorded on the seized ledger account.

4. For instance , consider the case of Shop No 5. At ground floor , of Pragati Shopping Center.

One such ledger for shop no. 05 at Ground floor, of Pragati Shopping centre is discussed as under;



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HARI	
Statement For CP 02 ANUPHAT CA MEDICAL 2018-2021	
21/2018 To 21/03/2021	
Credit Particulars	Debit Particulars
3211000.00 B/F -> From Page 1	
50000.00 04/12/2020 CHX	
Cash Account	
130000.00 04/11/2021 CHX	
Cash Account	
100000.00 08/12/2021 BNC	
ICICI BANK / FI	
100000.00 01/02/2021 BNC	
ICICI BANK / FI	
50000.00 18/02/2021 BNC	
ICICI BANK / FI	
50000.00 28/02/2021 BNC	
ICICI BANK / FI	
470000.00 01/02/2021 BNC	
ICICI BANK / FI	
470000.00 24/02/2021 BNC	
ICICI BANK / FI	

As per the above ledger, amount of Rs.54,01,000/- has been received for the sale of shop no. 5 at ground floor. Out of the total consideration amount of Rs. 12,44,0000/- (100000 + 100000 + 50000 + 50000 + 470000 - 470000) have been received in bank and remaining amount has been received in cash. The amount received through bank is duly reflect in the bank account (ICICI bank a/c ****0771) of the assessee and this is the amount at which sale deed for the shop no. 5 has been executed. Snap shots of relevant page of the assessee's bank account and sale registered is pasted as under:



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01-01-2021	01-01-2021	DEBITED IN CASH ACCOUNT	PC BANK				10000	1000000
01-01-2021	01-01-2021	CREDITED IN CASH ACCOUNT	PC BANK				10000	1000000
01-01-2021	01-01-2021	DEBITED IN CASH ACCOUNT	PC BANK				10000	1000000
01-01-2021	01-01-2021	DEBITED IN CASH ACCOUNT	PC BANK				10000	1000000
01-01-2021	01-01-2021	DEBITED IN CASH ACCOUNT	PC BANK				10000	1000000
01-01-2021	01-01-2021	DEBITED IN CASH ACCOUNT	PC BANK				10000	1000000

Sales register:

G.P. SHOP NO-5	SHRISADGURU DEVELOPER, PRAGATI MALL, SHIVAJI-300025	1. Arun Kishorekhar Kulkarni 2. Anandeshwar Kishorekhar Kulkarni	1. ADGFC 1562 2. ADGFC 1563	1. "Palladi", Plot no- 58/3, Maheshwari Society, Street No- 4, Nirmala School Road, Rajkot. 2. "Dhruv", Block no- 215, Kirti Vinayak Park, Street no-12, 150 ft Ring Road, Rajkot.	15 Apr. 2021	12,00,000/-
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From the above, it is clear that the transactions recorded on ledger/papers are genuine.

5. Furthermore, during the post search investigation, these seized documents were confronted to Shri Harisingh Suchariya, key person and main partner of the firm and he has submitted the reconciliation of the cash and bank transactions. Based on the data, year wise summary of cash receipts against the sale of shops and showrooms of "Pragati Mall" was prepared showing the details of the assessee who has performed unaccounted transactions with the Suchariya Group on receipt of "ON-Money".

Unit no.	NAME OF SHOP OWNER/HOLDER	F.Y. 2018-19	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2021-22
FF 08/09	KISHORBHAI BHAGTANI	0	3000000	0	0

6. Also, the details of the person, in whose name the unit of this project is ultimately registered in the conveyance deed executed as submitted by the firm during its assessment proceeding is as follows.





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No.	Link no.	Name as per order document	Name as per Conveyance deed	PAN as per conveyance deed	AO	Unaccounted transactions			
						2018-19	2019-20	2020-21	2021-22
20	1st floor (No. 8 A5)	KISHORBHAI BHAGTANI	Kishorhai	AEPB629BQ	NO WD				
						300000			

The same can be verified from the information received from the Insight portal under the "HIGH RISK CRIUVRU" transactions.

Personal Details					
PAN	AEPB629BQ		DoB/ Incorporation		
Name	KISHORBHAI CHANDIRAM BHAGTANI				
Address	BLOCK NO-44, MATRUCHIWADA, JASANI PARK-2, AIRPORT ROAD, BANGLORE				
State	Gujarat	Pincode			
Email		Mobile			
Annual/Current PCIT	PCIT, Rajkot-1				
Information Details					
Information FY	Information Source Type	Information Source Description	Information Type	Information Description	Information Value
2019-20	Others	OTHERS	Others	OTHERS	30,00,000
Verification Result					
Actionable AY	Result Type	Result Description	Result Value	Remarks	
2020-21	Others	OTHERS	30,00,000	OTHERS	

7. It is clear from the above facts that the assessee has made Unaccounted Transactions during the year under consideration of Rs. 30,00,000/- and filed the return of income vide acknowledgment No. 732996901201120 on 20-11-2020 declaring total income at Rs. 4,63,210 /-.

2.1. Applicability of the provisions of section 147/151 to the facts of the case:

a. As per the provisions u/s 148, "Before making the assessment, reassessment or re-computation under section 147, and subject to the provisions of section 148A, the Assessing Officer shall serve on the assessee a notice along with a copy of order passed under clause (a) of section 148A, requiring him to furnish within such period, as may be specified in such notice, a return of his income or the income of any other person in respect of which he is assessable under this Act during the previous year corresponding to the relevant assessment year, in the prescribed form and verified in



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the prescribed manner and setting forth such other particulars as may be prescribed, and the provisions of this Act shall, so far as may be, apply accordingly as if such return were a return required to be furnished under section 139;

Provided that no notice under the said section shall be issued unless there is information with the Assessing Officer which suggests that the income chargeable to tax has escaped assessment in the case of the assessee for the relevant assessment year and the Assessing Officer has obtained **prior approval** of the specified authority to issue such notice*

b. Further, as per Explanation 2 u/s 148, "For the purposes of this section, where, -

1. the Assessing Officer is satisfied, with the prior approval of Principal Commissioner or Commissioner, that any books of account or documents, seized or requisitioned under section 132 or section 132A in case of any other person on or after the 1st day of April, 2021, pertains or pertain to, or any information contained therein, relate to, the assessee,

the Assessing officer shall be deemed to have information which suggests that the income chargeable to tax has escaped assessment in the case of the assessee where the search is initiated or books of account, other documents or any assets are requisitioned or survey is conducted or money, bullion, jewellery or other valuable article or thing or books of account or documents are seized or requisitioned in case of any other person.

c. As per the provisions u/s 151, "Specified authority for the purpose of section 148 and section 148A, shall be-

- (i) Principal Commissioner of Income-tax or Principal Director of Income-tax or Commissioner of Income-tax or Director of Income-tax, if three years or less than three years have elapsed from the end of the relevant assessment year,
- (ii) Principal Chief Commissioner of Income-tax or Principal Director General of Income-tax, or where there is no Principal Chief Commissioner of Income-tax or Principal Director General of Income-tax, Chief Commissioner of Income-tax or Director General of Income-tax, if more than three years have elapsed from the end of the relevant assessment year

2.2. Conclusion:

a. As the search action was initiated under section 132 and after the 1st day of April, 2021, therefore, as per clause iv of Explanation 2 to section 148, the AO is deemed





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to have information for **A.Y. 2020-21**.

b. Further, the provisions of section 148A are not applicable in this case.

1. Since three years have not elapsed from the end of relevant assessment year, thus as per provisions of Section 149 r.w.s 148 r.w.s 151, the specified authority to grant approval is **Pr.CIT-1, Rajkot**.
2. In this case, prior approval of the Pr.CIT-1, Rajkot has been obtained in terms of provisions of Explanation 2 of section 148 of the I.T. Act vide letter **No.Pr.CIT.R-1/HQ-1/Sat.Note-148/2023-24/5464** dtd 15-03-2024.
3. In view of facts narrated earlier, I am satisfied that the above referred incriminating digital data/ documents/books of accounts found & seized from the premises of **Suchariya Group (ShriHarisinghSuchariya)** contains information pertaining to / and information contained therein, relates to the assessee.
3. As three years have not elapsed from the end of the relevant assessment year, **PCIT-1, Rajkot** is the specified authority as per provisions of 151 of the I.T. Act.

d. **Details of nature of transaction/ escapement and amount**

The assessee **KISHORBHAI CHANDIRAM BHAGTANI** : **AEPPB6296Q** has made Unaccounted Transactions during the year under consideration of Rs. **30,00,000/-** and filed the return of income vide acknowledgment No. **732996901201120** on 20-11-2020 declaring total income at Rs. 4,63,210 /-.

Therefore, I am satisfied that there is an escapement of income to the extent of **Rs.30,00,000/-** which needs to be brought under the ambit of tax by re-opening of assessment u/s 147 of the I.T. Act.

In view of the above, the proposal is submitted for your kind perusal and necessary approval to issue notice u/s. 148 of the Act for **A.Y. 2020-21**.

6. Since, the above approval under section 151 of the Act, is neither signed digitally nor manually, therefore, the issue is squarely covered by the Coordinate Bench of ITAT Rajkot, in the case of M/s Aditya Plastic, in ITA No.185/Rjt/2024, for AY 2013-14. The findings of the Coordinate Bench are as follows :

“8. We have heard both the parties, perused the material available on record. We note that the approval of the PCIT is without any signature of the Ld.PCIT and without generating any DIN number which is reproduced below: