

Sudhakar T Pendse

BHC has dismissed assessee's appeal in context of block assessment u/s 158BC of the Act and has affirmed underlying appellate orders observing that:

"The basic argument of the appellant is that firstly, no incriminating documents were seized from the residence of the appellant regarding the receipt of Rs. 3.17 crores and, therefore, no addition could be made in the block assessment. Secondly, the question of accrual of income is a matter to be considered in regular assessment and not in block assessment, hence addition of undisclosed income in the block period is without any basis, especially when M/s. Nalini Properties Pvt. Ltd. has recorded the transaction in its regular books of accounts.

We see no merit in the above contentions because, having agreed before the CIT (A) that it is difficult for him to prove that he has changed the method of accounting from mercantile system to cash system and, therefore, the amount of Rs.3.17 crores be taxed as undisclosed income in the block period, it is not open to the appellant to challenge the decision of CIT(A) on merits"