

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA BENCH "D", KOLKATA**

**BEFORE SH. J.SUDHAKAR REDDY, ACCOUNTANT MEMBER AND
SH. S.S.VISWANETHRA RAVI, JUDICIAL MEMBER**

**ITA No.2426/KOL/2017
[Assessment Year: 2012-13]**

M/s. Madhubati Paper Mills Pvt.Ltd., Room No.122, 4 Fairlic Place, 1 st Floor, Kolkata-700001. PAN-AADCM8643D	vs	DCIT, Circle-4(1), P-7, Chowringhee Square, Kolkata-700069.
(Appellant)		(Respondent)

Appellant by	Sh. Sunil Surana, Adv.
Respondent by	Smt. M.Ghosh, Sr.DR
Date of Hearing	05.09.2018
Date of Pronouncement	24.10.2018

ORDER

PER J.SUDHAKAR REDDY, ACCOUNTANT MEMBER

This appeal filed by the assessee against the order dated 02.02.2017 passed by CIT(A)-17, Kolkata for AY 2012-13 u/s 143(3) of the Income tax Act, 1961 (in short "Act").

2. There is a delay of 224 days in filing of the appeal. The assessee filed a petition for condonation of delay accompanied by an affidavit explaining the circumstances under which the assessee was prevented from filing the appeal within time.

3. After going through these papers, we are convinced that the assessee was prevented by sufficient cause from filing the appeal in time. Hence, we condone the delay and admit the appeal.

4. We have heard rival submissions and perused the material available on record. The sole issue that arises for our consideration is the disallowance of Rs.37,53,130/- being electrical charges. The AO observed that the assessee was following Mercantile System of Accounting and hence, the electric bills which do not pertain to the system of accounting and hence, the electricity bills which do not pertain to the previous year 2011-12 has to be disallowed. Thus, Ld.CIT(A) partly upheld this decision.

Aggrieved by the order of Ld. CIT(A), the assessee has preferred this appeal before the Tribunal.

5. The sole issue in dispute is the disallowance of Rs.37,53,130/- arising out of the bill dated 14.05.2012 for the period 11.03.2012 to 05.04.2012. The assessee's contention is that only the consumption of electricity from 01.04.2012 to 05.04.2012 has to be disallowed as it does not pertain to this F.Y. He submits that the disallowance should be restricted to Rs.7,21,756/-.

6. In our view, this cannot be done. The bill was received in the office of the assessee on 14.05.2012 and hence, the liability in quantum accrued during the previous year 2012-13 relevant to the AY 2013-14. If the argument of the assessee has to be accepted, then the amount of Rs.22,98,881/- pertaining to electricity consumption for the period 05.02.2011 to 04.03.2011 has to be disallowed as the same relates to F.Y. 2010-11. Similarly, from out of bill dated 29.04.2011, the amount pertaining to electricity consumption from 05.03.2011 to 31.03.2011 is also to be excluded. In our view, this argument of the assessee has to be rejected.

7. In the result, the appeal of the assessee is dismissed.

Order pronounced in the open court on 24.10.2018.

Sd/-
(S.S.VISWANETHRA RAVI)
JUDICIAL MEMBER

Date:- 24.10.2018

Amit Kumar

Sd/-
(J.SUDHAKAR REDDY)
ACCOUNTANT MEMBER

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1. Appellant- M/s. Madhubati Paper Mills Pvt.Ltd., Room No.122, 4 Fairlic Place, 1st Floor, Kolkata-700001.
2. Respondent- DCIT, Circle-4(1), P-7, Chowringhee Square, Kolkata-700069.
1. CIT-Kolkata
2. CIT(Appeals)-Kolkata
3. DR: ITAT-Kolkata Benches

Sr.P.S./H.O.O
ITAT, KOLKATA