

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA BENCH "A", KOLKATA
BEFORE SH. J.SUDHAKAR REDDY, ACCOUNTANT MEMBER &
SH. S.S.VISWANETHRA RAVI, JUDICIAL MEMBER**

**ITA No.1258/KOL/2015
(ASSESSMENT YEAR-2011-12)**

ACIT, Circle-39, Midnapore, Sahoo Bhawan, Kshudiram Nagar, Paschim Medinipur- 721101.	vs	Paul Distributors Pvt.Ltd., Inda, LICI More, Kharagpur, Paschim Medinipur-721305.
(Appellant)		(Respondent)
Appellant by	Sh. Sankar Halder, Addl. CIT Sr.DR	
Respondent by	None	
Date of Hearing	05.11.2018	
Date of Pronouncement	22.11.2018	

ORDER

PER S.S. VISWANETHRA RAVI, JUDICIAL MEMBER

This appeal by the Revenue against the order dated 27.07.2015 passed by CIT(A)-11, Kolkata for AY 2011-12.

2. The Ld. DR present and the assessee called absent. When the matter was called, neither any authorized representative appeared on behalf of the assessee nor any application seeking adjournment was filed. Therefore, the respondent assessee is set ex-parte and we proceed to hear Ld.DR.

3. It is also noted from the record that this appeal was filed by the Revenue on 06.10.2015 and the same is adjourned from time to time and this Tribunal issued many notices dated 25.08.2017, 03.10.2017, 09.11.2017, 13.02.2018, 17.04.2018, 11.06.2018 & 04.09.2018. However, no representation on behalf of the respondent

assessee. On all the occasions, the appeal was adjourned many times for want of representation on behalf of the assessee.

3. Heard Ld.DR and perused the material available on record. The issue raised in this appeal by the Revenue challenging the action of the CIT(A) in treating the difference in the quantity and the value of closing stock vis-a-vis quantity and the value of the closing stock statement given to bank as explained investment under the provision of section 69B of the Income Tax Act, 1961 (in short "Act"). The AO on examination of stock statement submitted by the bank found excess quantity of stock as on 31.03.2011 which was according to AO not discussed by the assessee in the return of income. For not furnishing explanation, the AO added the said amount to Rs.62,98,165/- to the total income of the assessee u/s 69(B) of the Act. The CIT(A) held that the AO did not discuss about the explanation offered by the assessee in the assessment proceedings and the AO could not bring on record any material or evidence in support of addition made. It is noted that the finding of CIT(A) is very much contrary to the discussion made by the AO in its order at pages 4 & 5. Therefore, taking into consideration as discussed above and from the material available on record, the CIT(A) is not justified in deleting the addition made by the AO and the order of the CIT(A) is set aside. The order of AO passed u/s 143(3) r.w.s. 145(3) of the Act vide its order dated 31.01.2014 is restored.

4. In the result, the appeal of the Revenue is allowed.

Order pronounced in the open court on 22.11.2018.

**Sd/-
(J.SUDHAKAR REDDY)
ACCOUNTANT MEMBER**

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

Date:- 22.11.2018

Amit Kumar

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1. Appellant- ACIT, Circle-39, Midnapore, Sahoo Bhawan, Kshudiram Nagar, Paschim Medinipur-721101.
2. Respondent- Paul Distributors Pvt.Ltd., Inda, LIC More, Kharagpur, Paschim Medinipur-721305.
3. CIT-Kolkata
4. CIT(Appeals)-Kolkata
5. DR: ITAT -Kolkata Benches

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