

**IN THE INCOME TAX APPELLATE TRIBUNAL
'SMC' BENCH, KOLKATA**

Before Sri J. Sudhakar Reddy, Accountant Member

**I.T.A. No. 1558/KOL/2018
Assessment Year: 2011-12**

SK ASRAF ALI.....Appellant
[PAN : AFMPA 0451 Q]

J.C.I.T, Range-1, Midnapore.....Respondent

Appearances by:

Shri P. K. Sanghi, CA, appeared on behalf of the Appellant.
Shri Robin Choudhury, Addl. CIT, appeared on behalf of the Respondent.

Date of concluding the hearing : January 9, 2019
Date of pronouncing the order : January 16, 2019

ORDER

Per J. Sudhakar Reddy :-

This appeal by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals)-11, (hereinafter the 'Id. CIT(A)'), dated 27.04.2018 passed u/s 143(3) of the Income Tax Act, 1961 (the 'Act') for the assessment year 2011-12.

2. The assessee is an individual and wholesale dealer in poultry feeds and earned income from hiring of vehicles. He filed return of income declaring Rs.1,78,950/-. The Assessing Officer assessed the total income at Rs.6,18,440/- whereby making an addition inter alia by assessing income from poultry feeds @8% of gross receipts and further making an addition of Rs.1,65,000/- on the ground that investment made was out of undisclosed sources.

3. On appeal, the First Appellate Authority upheld the order of the Assessing Officer.

4. Aggrieved the assessee is before us. The first ground raised by the Id. Counsel for the assessee is that the Assessing Officer has not signed the assessment order and hence it is not valid. Secondly, he submitted that estimation of income @8% of the gross receipts from business of poultry feeds is excessive. The Id. DR submitted that the signed assessment order is in the records and the same can be produced before the Bench. The Id. Counsel for the assessee at this stage submitted that he does not press both these grounds.

5. The second ground of appeal reads as follows:

After hearing rival contentions, we delete the addition by holding that telescoping benefit has to be given to the assessee. The income from business of poultry feeds has been computed at Rs.4,19,201/- as against Rs.1,78,950/- declared by the assessee. The excess cash flow is to be telescoped and the investment in question is to be held as unexplained. Hence, we delete the addition of Rs.1,65,000/-.

6. In the result, the Ground No.2 of the assessee is allowed.

7. In the result, the appeal of the assessee is allowed in part.

Kolkata, the 16th January, 2019.

Sd/-
[J. Sudhakar Reddy]
Accountant Member

Dated : 16.01.2019
RS(Sr.PS)

Copy of the order forwarded to:

- 1. SK Asraf Ali, C/O SK ASRAF ALI, At: Patharghata, PO Midnapore, Dist. Paschim Medinipur, Pin 721101, W.B.**
- 2. JCIT, Range-1, Midnapore, Paschim Medinipur, 721101, W.B.**
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

True copy

By order

Assistant Registrar , Kolkata Benches