

**IN THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD BENCHES (SMC), AHMEDABAD**

BEFORE SHRI KUL BHARAT, JUDICIAL MEMBER

**ITA No.923/Ahd/2016
Assessment Year: 2008-09**

M/s. Sayaji Steel N.H. No.8 Opp. Shraddha Petrol Pump Kapurai Crossing Vadodara-390 004	बनाम/ Vs.	ACIT Circle-5 Vadodara
(Appellant)		(Revenue)
P.A. No.AAPFS7174Q		

Appellant by	Shri M.K. Patel, A.R.
Respondent by	Shri N.K. Goel, Sr.D.R.
Date of Hearing:	16.09.2019
Date of Pronouncement:	17.09.2019

आदेश / O R D E R

PER KUL BHARAT, J.M:

This appeal by the assessee is directed against order of the CIT(A)-1, Vadodara dated 25.1.2016 for the assessment year 2008-09.

2. The only effective ground in this appeal is against sustaining addition of Rs.16,48,776/- made in respect of the excess stock found during the course of survey.

3. The assessee is a partnership firm engaged in the business of retail and wholesale in iron sheets. The facts are identical as were in the case of the partner of the assessee firm in ITA No.2177/Ahd/2014. The respective representatives have adopted the same argument as were in ITA No.2177/Ahd/2014 for the A.Y 2008-09. In the said appeal, I have partly allowed the appeal of the partner of the firm by observing as under:

4. I have considered the rival submissions and perused the materials available on record. The basis of making addition is the statement recorded during the course of survey. Ld. Counsel for the assessee has taken me through the statement so recorded. It is stated that the whole purchases have been through banking channels. In support of this, he has drew my attention to the paper book where stock summary is enclosed. The assessee has also drew our attention to the paper book pages 155 and 156 to 184 to contend that sale and purchases are duly reconciled. There is no anomaly in the accounts so placed. Considering the fact that the assessee has demonstrated that purchases were made through banking channels and have been recorded in the books of accounts, the revenue has not brought any contrary material on record. Under these undisputed facts, the A.O. is hereby directed to delete the addition of Rs.16,80,000/- as made

in respect of the excess stock. However, the addition in respect of net profit @ 2% is sustained on this addition.

5. *In the result, the appeal filed by the assessee in ITA No.2177/Ahd/2014 for the A.Y. 2008-09 is partly allowed.*

4. Taking a consistent view, the appeal filed by the assessee in this appeal is also partly allowed.

5. In the result, the appeal filed by the assessee in ITA No.923/Ahd/2016 for the A.Y. 2008-09 is partly allowed.

Order was pronounced in the open court on 17.09.2019.

Sd/-

(KUL BHARAT)
JUDICIALMEMBER

Ahmedabad; दिनांक Dated : 17/09/2019

VG/SPS

Copy to: Assessee/AO/Pr. CIT/ CIT (A)/ITAT (DR)/Guard file.

By order

Assistant Registrar, Ahmedabad