

IN THE INCOME TAX APPELLATE TRIBUNAL: RANCHI BENCH, RANCHI

BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER

I.T.A No.321/Ran/2018

Assessment Year: 2015-16

M/s Jaikrishna Febtex Pvt. Ltd.	vs.	ITO, Ward-3(3), Bokaro
Shop No.2, 490(423), LP-217/13, Purbalok, Kolkata-700099.		
PAN/GIR No. : AADCJ1679A		
(Appellant)	..	(Respondent)

Appellant by	Shri Devesh Poddar, Advocate
Respondent by	Sri Ajay Kumar, Addl. CIT(DR)

Date of hearing	03.03.2020
Date of pronouncement	03.03.2020

ORDER

S. S. Godara(Oral):

This assessee's appeal for assessment year 2015-16 arises against the Commissioner of Income Tax (Appeals), Jharkhand dated 08.08.2018 passed in case no.10387HZB/2017-18 involving proceedings u/s 143(3) of the Income Tax Act, 1961 (in short 'the Act').

Heard both the parties. Case file perused.

2. The assessee's former substantive ground challenges both the lower authorities' action making estimated gross profit addition of Rs.2,78,724/- @16.72% qua shortage on stock of Rs.16,67,010/-; alleged to have been noticed during the course of survey. Learned counsel's only case is that neither of the lower authorities have granted credit of either cash sales shown in the books or those recognised through electronic mode(s) of payments. This clinching plea has gone un rebutted from the Revenue side during the course of hearing. I therefore deem it appropriate that the instant former issue requires factual reconciliation at the assessment level. The same is therefore restored to the Assessing Officer for afresh adjudication as per law.

3. Next comes salary payment disallowance @ 5% made in both the lower proceedings only on the ground that the same had been paid in cash. This cash mode of payment has not been satisfactorily explained from the assessee's side right from scrutiny till date. The fact also remains that neither of the learned lower authorities has taken note of the

corresponding findings in preceding and succeeding assessment year. I therefore deem it appropriate in larger interest of justice that a lumpsum salary disallowance of Rs.50,000/- would meet the ends of justice with a rider that the same shall not be taken as a precedent. Necessary computation including that of interest to follow as per law.

4. This assessee's appeal is partly allowed in above terms.

Order is pronounced in the open court on 03.03.2020.

Sd/-
(S. S. GODARA)
JUDICIAL MEMBER

Dated: 03.03.2020.

RS

Copy of the order forwarded to:

1. The Appellant
2. The Respondent
3. The CIT concerned
4. The CIT(A) -
5. The DR, ITAT, Ranchi
6. Guard File

BY ORDER

Sr. P.S., ITAT, Ranchi (on Tour)