

**IN THE INCOME TAX APPELLATE TRIBUNAL KOLKATA BENCH 'SMC' KOLKATA
[BEFORE SHRI J. SUDHAKAR REDDY, HON'BLE ACCOUNTANT MEMBER]
[THROUGH VIRTUAL COURT]**

I.T.A. No. 1044/Kol/2019

Assessment Year: 2014-15

Smt. Kanak Chakroborty.....Appellant
11A, Nather Bagan Street,
Kolkata - 700 005.
[PAN: ACOPC 6573 E]

VS.

ACIT, CIR - 43, KolkataRespondent
3, Govt. Place (West),
Kolkata - 700 069.

Appearances by:

Shri Rip Das, CA appearing on behalf of the Assessee.

Shri Jayanta Khanra, JCIT, Sr. DR appearing on behalf of the Revenue.

Date of concluding the hearing : April 7th, 2021

Date of pronouncing the order April 21st, 2021

ORDER

This is an appeal filed by the assessee directed against the order of Learned Commissioner of Income Tax (Appeals) - 13, Kolkata [hereinafter the "CIT(A) passed u/s 250 of the Income Tax Act, 1961 (the 'Act'), dated 01.12.2018 for the Assessment Year 2014-15.

2. There is delay of 85 days in filing of the appeal. After perusing the petition for condonation of delay, I am convinced that the assessee was prevented from reasonable cause for filing of the appeal in time. Hence I condone the delay and admit the appeal.

3. After hearing rival contentions, I find that Ground No. 1 and 2 are against adhoc disallowances which are made without rejection of books of account. The disallowance was made on estimated basis. The CIT(A) in an arbitrary manner deleted certain adhoc disallowances and has sustained certain adhoc disallowances. I find no reason for

such adhoc actions when no defects have been pointed out in the books of account or the vouchers and another document given by the Ld. CIT(A). When the disallowance is made on an adhoc basis, on the ground that the expenditure is to be treated as capital expenditure, without mentioning the defects in the books of account or the vouchers and another document such arbitrary disallowance cannot be sustained. Thus we allow Ground No. 1 and 2.

4. Ground No. 3 as against an addition made on valuation of closing stock. This issue is covered in favour of the assessee by the decision of 'SMC' Bench of the Tribunal in ITA No. 1825/Kol/2016 for the assessment year 2006-07 order dated 31.10.2017 in assessee's own case. Respectfully follow we allow this ground of the assessee.

5. In the result, the appeal of the assessee is allowed.

Order Pronounced in the Open Court on 21st April, 2021.

Sd/-

(J. SUDHAKAR REDDY)
ACCOUNTANT MEMBER

Dated: 21/04/2021

Biswajit, Sr. PS

Copy of order forwarded to:

1. Smt. Kanak Chakroborty, 11A, Nather Bagan Street, Kolkata – 700 005.
2. ACIT, CIR – 43, Kolkata.
3. The CIT(A)
4. The CIT
5. DR

True Copy,

By order,

Assistant Registrar/DDO
ITAT, Kolkata