

IN THE INCOME TAX APPELLATE TRIBUNAL "B"
(Virtual Court Hearing) BENCH KOLKATA

Before Shri Sanjay Garg, Judicial Member and Shri Rajesh Kumar, Accountant Member

I.T.A. No.2380/Kol/2018
Assessment Year : 2014-15

ACIT, Circle-1(1), Kolkata.....Appellant

vs.

M/s Aridhi Vanijya Pvt. Ltd.....Respondent
46, B.B. Ganguly Street,
Kolkata-700012.
[PAN: AAECA5248H]

Appearances by:

None appeared on behalf of the appellant.

Shri Ranu Biswas, Addl. CIT-DR, appeared on behalf of the Respondent.

Date of concluding the hearing : December 09, 2021

Date of pronouncing the order : December 09, 2021

Hearing through Video Conferencing

ORDER

Per Sanjay Garg, Judicial Member:

The present appeal has been preferred by the Revenue against the order dated 23.08.2018 of the Commissioner of Income Tax-1, Kolkata [hereinafter referred to as 'CIT(A)'] passed u/s 143(3) of the Income Tax Act (hereinafter referred to as the 'Act').

The Revenue in this appeal has taken the following grounds of appeal:

"That on the facts and circumstances of the case and on Law Ld. CIT(A) has erred in granting relief to the assessee in respect of addition made u/s. 68 of Rs. 4,14,20,966/- by the A.O. for lack of explanation and for want of satisfaction, simultaneously, in respect of:

(i) Identity of the persons with whom transactions took place.

(ii) Genuineness of transactions for which credit entries entered in the books of accounts.

(iii) Capacity of the persons or their credit worthiness from whom such receipts were recognized in the books of accounts.

iv) That the appellant craves leave to make any addition, alteration, modification of any grounds of appeal during the appellant proceedings."

2. No one has put in appearance on behalf of the assessee despite notice. Therefore, we proceed to adjudicate the present appeal after hearing the ld. DR.
3. A perusal of the above grounds of appeal reveals that the Revenue is aggrieved of the action of the CIT(A) in deleting the addition of Rs.4,14,20,966/- made by the Assessing Officer u/s 68 of the Act in respect of unexplained credits.
4. The Assessing Officer during the assessment proceedings noted that there were entries of credits in the balance sheet of the assessee. The Assessing Officer observed that from the documents furnished by the assessee on records, the nature of the transaction was not established. The assessee, in reply, submitted that nature of transaction with M/s Shree Vishnu Paper Mills Pvt. Ltd. and M/s Bhola Ram Steel Pvt. Ltd. was interest free advance, while nature of transaction with M/s Savile Distributors Pvt. Ltd was sale and purchase of sale of shares. The Assessing Officer observed that the assessee had not provided the relevant documents to prove identity and creditworthiness of the creditors as well as genuineness of the transactions.
5. In appeal before the Ld. CIT(A), it was submitted on behalf of the assessee that the assessee had produced relevant documents to prove the identity, creditworthiness of the creditors as well as genuineness of the transaction. A perusal of the impugned order of the Ld. CIT(A) reveals that the Ld. CIT(A) has not discussed about the evidences furnished by the assessee and how he was satisfied with a bare stated evidences. He simply has written in the impugned order that the Assessing Officer did not take note of the documents furnished by the assessee. However he has not discussed as to what were those documents and how those documents were relevant to the transactions. The order of the Ld. CIT(A) is cryptic and not sustainable in the eyes of law. In view of this, the order of the CIT(A) is set aside and the matter is restored to the file of the Assessing Officer with a direction to pass assessment order afresh after examining the documents on record and after giving proper opportunity of hearing to the assessee. In view of this, the appeal of the Revenue is treated as allowed for statistical purposes.

6. In the result, the appeal of the Revenue treated as allowed for statistical purposes.

Kolkata, the 9th December, 2021.

Sd/-
[Rajesh Kumar]
Accountant Member

Sd/-
[Sanjay Garg]
Judicial Member

Dated: 09.12.2021.

RS

Copy of the order forwarded to:

1. ACIT, Circle-1(1), Kolkata
2. M/s Aridhi Vanijya Pvt. Ltd
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Sr.PS/D.D.O, Kolkata Benches