

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

**Before Shri Rajpal Yadav, Vice-President
&
Shri Rajesh Kumar, Accountant Member**

**I.T.A. No. 204/KOL/2023
Assessment Year: 2012-2013**

***Gupta Transformer Pvt. Limited,.....Appellant
28/B/1A, Jheel Road,
Dhakuria, Kolkata-700031
[PAN: AACCG0542L]***

-Vs.-

***Income Tax Officer,.....Respondent
Ward-10(1), Kolkata,
3, Government Place,
Kolkata-700001***

Appearances by:

*Shri Swapan Nandi, Staff, appeared on behalf of the
assessee*

*Smt. Ranu Biswas, Addl. CIT, D.R., appeared on behalf of
the Revenue*

Date of concluding the hearing : April 26, 2023

Date of pronouncing the order : May 23, 2023

O R D E R

Per Shri Rajpal Yadav, Vice-President (KZ):-

The assessee is in appeal before the Tribunal against the order of Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dated 12th January, 2023 passed for assessment year 2012-13.

2. The assessee has taken two grounds of appeal, out of which Ground No. 2 is general in nature, which does not call for recording of any finding. In Ground No. 1, the assessee has pleaded that the ld. CIT(Appeals) has erred in confirming the addition of Rs.1,00,666/-.

3. Brief facts of the case are that the assessee has filed its return of income on 18.09.2012 declaring total income of Rs.2,24,610/-. According to the ld. Assessing Officer, this return was processed under section 143(1) on 17.05.2013. He further observed that subsequently an information has been received from ITO (Investigation), Unit-5, Kolkata in the case of Mr. Samrjit Jain and related beneficiary entities. He narrated some information and then observed that notice under section 148 was issued on 30.03.2019. In an *ex-parte* order, he made an addition of Rs.1,00,666/- under section 68 of the Income Tax Act on the ground of unexplained credit. His finding met the approval of the ld. CIT(Appeals).

4. With the assistance of ld. Representatives, we have gone through the record carefully. A perusal of the assessment order would indicate that there is no head & tail to the circumstances considered by the ld. Assessing Officer, vis-a-vis the addition made under section 68. His observations are that one Mr. Samrjit Jain, Proprietor of M/s. Snigdha Trading, was indulged in providing

accommodation entries namely accepting the cheque giving the money in cash or *vice-versa*. Hence, the assessee has shown purchases of Rs.1,00,666/- from this concern. Therefore, it is to be treated as unexplained credit. We fail to appreciate this logic of making addition. The assessee has not received any cash in its books, rather it has made purchases. The ld. Assessing Officer has nowhere disallowed the expenditure for making purchases. He just assumed that since the assessee has made purchases and it made payment through account payee cheque, therefore, it will take back the money from M/s. Snigdha Trading in cash and, therefore, it is unexplained credit. We find that it is only imagination of the ld. Assessing Officer without any analytical examination of the record. Therefore, this ground of appeal is allowed and addition deleted.

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

Order pronounced in the open Court on May 23, 2023.

**Sd/-
(Rajesh Kumar)
Accountant Member**

**Sd/-
(Rajpal Yadav)
Vice-President(KZ)**

Kolkata, the 23rd day of May, 2023

*Copies to : (1) Gupta Transformer Pvt. Limited,
28/B/1A, Jheel Road,
Dhakuria, Kolkata-700031*

*(2) Income Tax Officer,
Ward-10(1), Kolkata,
3, Government Place, Kolkata-700001*

- (3) Commissioner of Income Tax (Appeals),
National Faceless Appeal Centre (NFAC),
Delhi;*
- (4) Commissioner of Income Tax ,*
- (5) The Departmental Representative*
- (6) Guard File*

TRUE COPY

By order

*Assistant Registrar
Income Tax Appellate Tribunal,
Kolkata Benches, Kolkata*

Laha/Sr. P.S.