

**आयकर अपीलीय अधिकरण, कोलकाता पीठ 'ए', कोलकाता**  
**IN THE INCOME TAX APPELLATE TRIBUNAL "A" BENCH KOLKATA**

**श्री संजय गर्ग, न्यायिक सदस्य एवं श्री गिरीश अग्रवाल, लेखा सदस्य के समक्ष**  
**Before Shri Sanjay Garg, Judicial Member and Shri Girish Agrawal, Accountant Member**

**I.T.A. No.905/Kol/2023**  
Assessment Year: 2018-19

**Kishan Lal Dalmia.....Appellant**  
**Jhantipahari, Bankura,**  
**Saluni, Bankura-722101.**  
**[PAN: ADJPD1554E]**

vs.

**ITO, Ward-3(1), Bankura..... Respondent**

**Appearances by:**

Shri Amit Agarwal, AR, appeared on behalf of the appellant.

Shri B. K. Singh, JCIT-Sr. DR, appeared on behalf of the Respondent.

Date of concluding the hearing : October 30, 2023

Date of pronouncing the order : October 30, 2023

**आदेश / ORDER**

**संजय गर्ग, न्यायिक सदस्य द्वारा / Per Sanjay Garg, Judicial Member:**

The present appeal has been preferred by the assessee against the order dated 04.08.2023 of the National Faceless Appeal Centre [hereinafter referred to as 'CIT(A)'] passed u/s 250 of the Income Tax Act (hereinafter referred to as the 'Act').

2. The assessee in this appeal has agitated against the confirmation of addition of Rs.45,18,208/- made by the Assessing Officer by assuming undisclosed income of the assessee on account of suppressed profits.

3. The brief facts of the case are that the assessee has been engaged in milling and trading in vanaspati and edible oil under the name and style of Sree Ghanshyam Industries. A survey was conducted in the business premises of the assessee on 23.03.2018. The reason of survey

was that the assessee has increased his sale gradually, but the profit ratio against the said sale comes gradual decreased. During the survey action, the statement of the assessee was recorded on 23.03.2018. The Question no.6 and reply thereof of the assessee is reproduced as under:

*“Q6. Do you want to add or alter anything stated above?”*

*Ans. Yes, in order to buy peace of mind I want to offer an additional advance tax of Rs.17,00,000/- in favour of Sri Krishna Lal Dalmia, prop-Shree Ghanshyam Industries, for increase in estimated income during the financial year 2017-18.”*

During the assessment proceedings, the Assessing Officer noted that the assessee for the year under consideration has shown gross turnover of Rs.5,92,33,435/- and gross profit/turnover ratio was 4.21% and net profit/turnover ratio was 2.53%. This was on higher side than the earlier years. However, the Assessing Officer noted that in reply to Question no.6, the assessee had offered additional advance tax of Rs.17,00,000/-. The Assessing Officer noted that since the survey was carried out towards end of the financial year so the assessee would have rightly estimated his tax liability for assessment year 2018-19 at Rs.18,50,000/- and that is why he had offered to pay additional advance tax of Rs.17,00,000/-. The Assessing Officer, thereafter, calculated the net profit on estimation basis taking the tax liability at Rs.18,50,000/- and assessed the income of the assessee at Rs.61,00,000/- and made the impugned addition of Rs.45,18,208/-.

4. The ld. CIT(A) in an ex parte order confirmed the addition so made by the Assessing Officer.

5. We have heard the rival contentions and gone through the record. We find that there is no basis for the Assessing Officer to make the impugned addition. The Assessing Officer has not pointed out any defect or infirmity in the accounts of the assessee nor the Assessing

Officer could point out any suppressed sales or profits. Merely, because the assessee had offered to pay additional advance tax during the survey action, which was subject to adjustment as per the accounts/return of income, that itself is no ground to make the impugned additions. The impugned additions made by the Assessing Officer have no basis at all and the same are ordered to be deleted.

6. In the result, the appeal of the assessee stand allowed.

***Kolkata, the 30<sup>th</sup> October, 2023.***

Sd/-  
[गिरीश अग्रवाल /Girish Agrawal]  
लेखा सदस्य/Accountant Member

Sd/-  
[संजय गर्ग /Sanjay Garg]  
न्यायिक सदस्य/Judicial Member

Dated: 30.10.2023.

RS

*Copy of the order forwarded to:*

1. Kishan Lal Dalmia
2. ITO, Ward-3(1), Bankura
3. CIT (A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches