

आयकर अपीलीय अधिकरण, कोलकाता पीठ “बी”, कोलकाता
IN THE INCOME TAX APPELLATE TRIBUNAL “B” BENCH: KOLKATA
श्री राजेश कुमार, लेखा सटस्य एवं श्री प्रदीप कुमार चौबे, न्यायिक सदस्यके समक्ष
[Before Shri Rajesh Kumar, Accountant Member & Shri Pradip Kumar Choubey, Judicial Member]

I.T.A. No. 108/Kol/2024
Assessment Year: 2014-15

KRL Infratech (India) Ltd. (PAN: AADCK 0613 K)	Vs.	DCIT, Central Circle-2(2), Kolkata
Appellant / (अपीलार्थी)		Respondent / (प्रत्यर्थी)

Date of Hearing / सुनवाई की तिथि	22.04.2024
Date of Pronouncement/ आदेश उद्घोषणा की तिथि	09.05.2024
For the Appellant/ निर्धारिती की ओर से	Shri Siddharth Agarwal, Advocate
For the Respondent/ राजस्व की ओर से	Shri P. P. Barman, Addl. CIT, Sr. D.R

ORDER / आदेश

Per Rajesh Kumar, AM:

This is the appeal preferred by the assessee against the order of the Ld. Commissioner of Income Tax (Appeals)-NFAC, Delhi (hereinafter referred to as the Ld. CIT(A)”) dated 18.12.2023 for the AY 2014-15.

2. Issue raised in ground no. 1 by the assessee is against the order of Ld. CIT(A) confirming the addition of Rs. 3,11,79,699/- as made by the AO on account of alleged

discrepancy in the account of sundry creditors viz. Vista Chemitech Pvt. Ltd. u/s 69A of the Act.

3. Facts in brief are that the assessee filed the return of income on 30.11.2014 declaring total income of Rs. 52,51,897/-. The case of the assessee was selected for scrutiny after issuing various statutory notices which were duly served upon the assessee. During the course of assessment proceedings the assessee filed details of sundry creditors which included the one M/s Vista Chemitech Pvt. Ltd. The assessee stated that during the instant financial year, the total payments made to the said party against supplies and against opening outstanding balance were Rs. 6,15,85,000/- which were stated to be Rs. 3,04,05,301/- by M/s Vista Chemitech Pvt. Ltd. in the reply to notice issued u/s 133(6) of the Act by AO to the said party. Accordingly the AO, after confronting the same to the assessee, came to the conclusion that the assessee has made payment of Rs. 3,11,79,699/- out of undisclosed money and added the same u/s 69A of the Act.

4. During the appellate proceedings, the assessee submitted before the Ld. CIT(A) that the mistake have happened due to error by accountant of assessee who has supplied wrong details in the assessment proceedings whereas the correct details were appearing in the books of account of the assessee which were duly audited and were also placed before the Ld. CIT(A). The assessee filed necessary evidences explaining the said payments to M/s vista Chemitech Pvt. Ltd. to explain the issue and the Ld. CIT(A) referred to material produced before him by the assessee for remand report to the AO. The AO has submitted in the remand report that the documents filed by the assessee were verified and found to be correct and also stated in the remand report that the issue may be decided on merit. The Ld. CIT(A), however by ignoring the findings of AO in remand report, confirmed the addition and hence the assessee is in appeal before us.

5. After hearing the rival contentions and perusing the material on record including the remand report filed by the AO, we find that the mistake has happened on

the part of the assessee's accountant and the AO duly verified the documents filed by the assessee during the course of remand proceedings upon a reference by the appellate authority and has given a very clear finding that there is no discrepancy and in fact the actual payment made to the tune of Rs. 3,04,05,301/- details whereof have been noted by the Ld. CIT(A) at page 15 of appellate order. Therefore once the total payments were verified by the AO , the action of ld. CIT() in confirming the same is certainly not sustainable. Considering these facts, we are inclined to set aside the order of Ld. CIT(A) and direct the AO to delete the addition.

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

Order is pronounced in the open court on 9th May, 2024

Sd/-
 (Pradip Kumar Choubey /प्रदीप कुमार चौबे)
 Judicial Member/न्यायिक सदस्य

Sd/-
 (Rajesh Kumar/राजेश कुमार)
 Accountant Member/लेखा सदस्य

Dated: 9th May, 2024

SM, Sr. PS

Copy of the order forwarded to:

1. Appellant- KRL Infratech (India) Ltd., Subash Agarwal & Associates, Advocates, Siddha Gibson, 1, Gibson lane, Suite 213, 2nd Floor, Kolkata.
2. Respondent- DCIT, CC-2(2), Kolkata
3. Ld. CIT(A)-NFAC, Delhi
4. Pr. CIT- , Kolkata
5. DR, Kolkata Benches, Kolkata (sent through e-mail)

True Copy

By Order

Assistant Registrar
 ITAT, Kolkata Benches, Kolkata