

आयकर अपीलीय अधिकरण, जयपुर न्यायपीठ, जयपुर
IN THE INCOME TAX APPELLATE TRIBUNAL, JAIPUR BENCHES, "A" JAIPUR

श्री संदीप गोसाई, न्यायिक सदस्य एवं श्री राठौड कमलेश जयंतभाई, लेखा सदस्य के समक्ष
BEFORE: SHRI SANDEEP GOSAIN, JM & SHRI RATHOD KAMLESH JAYANTBHAI, AM

आयकर अपील सं./ITA No. 517/JPR/2024
निर्धारण वर्ष/Assessment Year : 2018-19

M/s Swaroop Narain Shiv Narain, 1, Lal Pyau Pareek College Road, Banipark, Jaipur	बनाम Vs.	ACIT, Central Circle-3, Jaipur
स्थायी लेखा सं./जीआईआर सं./PAN/GIR No.: AAFFS 8778 L		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओर से / Assessee by : Shri Rajeev Sogani, CA
राजस्व की ओर से / Revenue by : Shri Arvind Kumar, CIT-DR

सुनवाई की तारीख / Date of Hearing : 10/09/2024
उदघोषणा की तारीख / Date of Pronouncement: 17/10/2024

आदेश / ORDER

PER: RATHOD KAMLESH JAYANTBHAI, A.M.

The present appeal is because the assessee dissatisfied with the order of the Commissioner of Income Tax (Appeals)-4, Jaipur dated 23/02/2024 [for short CIT(A)]. That order relates to the assessment year 2018-19. The said order of the Id. CIT(A) arise because the assessee preferred first appeal against the order

dated 30.12.2019 passed under section 143(3) r.w.s 153A of the Income Tax Act, by ACIT, Central Circle-03, Jaipur.

2. In this appeal, the assessee has raised following grounds: -

“That the learned CIT-'A' has erred in holding that it is almost impossible to accept the submission of assessee regarding valuation of stock taken at the time of survey being incorrect, ignoring the explanation of assessee during course of assessment & evidence filed explaining the defects in valuation of stock. The said finding is illegal & unjustified.

That the learned CIT-'A' has erred in not accepting the contention of the assessee that the learned Assessing Officer has erred in holding that valuation of stock cannot be questioned as the same was done in presence of employees & two independent witnesses. The said action is illegal & unjustified.

That the learned CIT-'A' has erred in not deciding the ground of appeal of assessee that the Assessing Officer has erred in holding that excess stock of Rs. 22,68,327/- was found at time of survey. The said action is illegal & unjustified.

That the learned CIT-'A' has erred in holding that there can be no dispute regarding applicability of section 69 without deciding whether there was any excess stock. The said action is illegal & unjustified.

That on facts of circumstance of the case addition of Rs. 22,68,327/- made on account of excess stock under section 69 of the Income Tax Act is illegal unjustified & excessive.

That the learned CIT-'A' has erred in holding that unexplained stock found during survey is alternatively taxable under section 69B of the Act. The said action is illegal & unjustified.

That the learned CIT-'A' has erred in up-holding applicability of section 115BBE on the facts & circumstance of case. The said action is illegal & unjustified.”

3. Succinctly, the fact as culled out from the records is that a search was conducted on 28.09.2017 in the case of "Swaroop Narain Shiv Narain & Kumawat Group" of Jaipur to which the assessee belongs. Various assets/books of account and documents were found and seized as per annexure prepared during the course of search. Thereafter, jurisdiction over the case was assigned to ACIT, Central Circle-3, Jaipur vide order u/s 127 of the Income-tax Act, 1961. During the year under consideration, the assessee firm derives income from trading of timber and bamboo. The return of income was e-filed on 19.09.2018, declaring total income at Rs.21,99,550/- for the year under consideration, wherein, additional income of Rs.5,095/- has been offered as undisclosed income on account of difference in stock between physical verification and books of accounts were found during the search. The total income declared in the ROI for the 'specified year' included the undisclosed income of Rs. 5,095/- which represented the undisclosed Income. Accordingly, notice u/s 143(2) & 142(1) of the Income tax, 1961 were issued along with questionnaire requiring certain details / information, which was duly served upon the assessee. In response to the above notices, Shri

Anirudh Garg, CA and A/R of the assessee, attended the proceedings. Relevant details have been filed which are placed on record and examined. The case was discussed with the A/R of the assessee. During the course of survey action; stock of Plywood, Chip, Vinear Wood, Cylindrical, wood, Board, Sunmica etc. was found at the following business premises of the assessee M/s Swaroop Narain Shiv Narain:-

- (i) 212, Kishanploe Bazar, Jaipur.
- (ii) D-46, Hathibabu Marg, Banipark, Jaipur.
- (iii) 1, Near Lal Piyau, Pareek College Road, Station Road, Jaipur (m)

Volume of this stock was measured physically by the survey teams present there. After that, value of this stock was done as per the rates provided by the employees of the assessee who were present there on behalf of M/s M/s Swaroop Narain Shiv Narain. On the basis of such exercise, stock was found excess by Rs.22,68,327/- than to that declared stock in the books of account of the assessee firm. The stock of the assessee as per books of account was only Rs. 2,18,76,007/-. However on verification of the stock and valuation of the same the total value of the stock was computed to Rs. 2,41,44,334/- (212, Kishanploe Bazar, Jaipur at Rs.11,44,197/-, D-46, Hathibabu Marg, Banipark, Jaipur at Rs.1,09,67,478/- and 1, Lal Pyau Pareek College Road, Jaipur at

Rs.1,20,32,659/-). Hence, there was a difference of stock of Rs. 22,68,327/-. The actual stock found during the course of survey was excess by Rs. Rs. 22,68,327/-. During the course of survey the assessee was asked to furnish the explanation for the difference in the valuation of the stock. Ld. AO noted that no satisfactory reply was furnished in this regard. During the course of survey action, physical verification of stock was done by the survey team and a list of items was prepared in the presence of Shri Ashok Kumar Somani, employee of M/s Swaroop Narain Shiv Narain at one of its shop. The value of the total stock found was Rs.11,44,197 on the basis of the price of each item conveyed by Shri Somani. The closing stock in the register maintained on the shop as on the date of survey was of Rs.11,46,797. Statement of Shri Somani was recorded u/s 131 of the Act on 28.09.17 on this issue. During the course of assessment proceedings the assessee was asked to furnish the explanation for the difference in the stock valuation vide show cause dated 05.09.2019 as under:-

"During the physical verification during the course of search/survey action at the business premises of M/s Swaroop Narain Shiv Narain aggregate stock of (-)

98,43,347/- (as per physical verification Rs.1,20,32,659/-as per books Rs.2,18,76,007/-) was found shortage in comparison to the declared stock in the books of account."

In compliance to the show cause notice the AR of assessee has furnished written reply as under :-

"With regard to your query regarding difference of stock found physically as compared to stock as per books it is submitted that comparative item wise table of stock is being submitted by us showing the amount of valuation done at the time of the search proceedings and the actual valuation of the closing stock. The difference are on account of various factors such as

- (a) Errors in calculation of quantity of wood.
- (b) Incorrect rates taken for valuations."

The assessee has furnished the same reply as furnished during the course of survey proceedings. The assessee has not maintained stock register which has been also mentioned in the audit report for this year; therefore the reply furnished by the assessee is not verifiable. The assessee has not furnished any

justified reply for excess stock found during the course of search/survey action. Therefore, it is clear that the Stock records are not maintained properly and the value of closing stock declared is not verifiable. The assessee has submitted that the difference in stock is simply because of difference of formulas as applied by the survey team during the course of search proceedings but the same is not acceptable because had it been a simple case of difference of formula then the assessee would have submitted then only. The valuation of stock was done in the presence of the employees of the firm and two independent witness, hence its valuation per say is authentic and can't be questioned. Hence, in the absence of proper justification for excess stock found during the course of search the value of excess stock of Rs.22,68,327/- is being added to the total income of the assessee as unexplained investment u/s 69 r.w.s. 115BBE of the IT Act, 1961 out of its undisclosed income.

4. Aggrieved from the order of Assessing Officer, assessee preferred an appeal before the Id. CIT(A). Apropos to the grounds so raised the relevant finding of the Id. CIT(A) is reiterated here in below:

“Conclusion:

The appellant has not been able to explain the source of funds for making expenditure for buying the stock in trade as found excess. In case it is claimed that it is from business income the appellant is required to show how the same is from business sources and not from any other sources.”

As per CIT v. M.Ganapathi Mudaliar [1964] 53 ITR 623 (SC), A. Govindarajulu Mudaliar v. CIT [1958] 34 ITR 807 (SC), the Revenue is not to find out the source and the assessee is required to explain the source with supporting.

If it is out of some undisclosed purchases then the question arises from where such purchases were paid and such undisclosed money/unexplained expenditure itself is also taxable. If some credit were received from some unexplained source (to pay for purchases) the same itself is taxable. Be that as it may, the onus is on the assessee to explain and substantiate the source. Roshan Di Hatti v. Commissioner of Income-tax [1977] 107 ITR 938 (SC)[08-03-1977], Kale Khan Mohammad Hanif v. Commissioner of Income-tax [1963] 50 ITR 1 (SC)[08-02-1963]

Unexplained stock cannot be presumed to be business income. If the assessee claims so, the assessee is required to prove the same. [Hon'ble Supreme Court in the case of Commissioner of Income-tax v. Devi Prasad Vishwanath [1969] 72 ITR 194 (SC)[01-08-1968]

Once it was found by Assessing Officer that there was excess stock, in absence of explanation by assessee, conclusion was inescapable that excess stock, if any, was from undisclosed sources - Further once assessee's explanation, if any, had not been accepted, resultant position was that there was excess stock undisclosed in books of account and non disclosure was only with a view to suppress income. [Suraj Bhan Oil (P.) Ltd. v. Deputy Commissioner of Income- tax [2022] 138 taxmann.com 19 (Madhya Pradesh)] [SLP against this judgement was dismissed reported at [2022] 141 taxmann.com 477 (SC)/12022] 288 Taxman 635 (SC)[25-07-2022]. Further excess stock found cannot be presumed to be from business income of the year as the sources of buying unaccounted excess stock can be numerous.

It has also not been shown with sources details that it is only the earlier earned (during the same year) business income (manner of earning and source of earning of such income) which has been invested in the excess stock.

Respectfully following the judgements of Hon'ble Supreme Court in the cases of Commissioner of Income-tax v. Devi Prasad Vishwanath [1969] 72 ITR 194 (SC)[01-08-1968], Suraj Bhan Oil (P.) Ltd. v. Deputy Commissioner of Income-tax [2022] 141 taxmann.com 477 (SC)/[2022] 288 Taxman 635 (SC)[25-07-2022] and Principal Commissioner of Income-tax v. Deccan Tobacco Company [2022] 137 taxmann.com 470 (SC)/[2022] 286 Taxman 558 (SC)[11-03-2022], and other judgements, there can be no dispute in the facts of the present case regarding the applicability of sections 69 of the Act. In view of the above the action of the Id. AO in the assessment order is upheld. The unexplained stock found during the course of survey action is alternatively also held to be taxable under section 69B of the Act. Accordingly the applicability of section 115BBE of the Act is also upheld.

Accordingly this ground of appeal is hereby dismissed.”

5. As the assessee did not find any favour, from the appeal so filed before the Id. CIT(A)/NFAC, the assessee has preferred the present appeal before this Tribunal on the ground as reproduced hereinabove. To support the various grounds so raised by the Id. AR of the assessee, has filed the written submissions in respect of the various grounds raised by the assessee and the same is reproduced herein below:

- I. Appellant is a Partnership Firm which came into existence on 20.10.2012 with the main object of carrying on the business of trading of Timbre, Ply, Sunmica, Jute and similar items.
- II. A search operation was carried on 28.09.2017 against “Swaroop Narain Shiv Narain & Kumawat Group”. The Appellant Firm happens to be part of Swaroop Narain Shiv Narain Group. Survey operations were carried out at the business premises of the Appellant Firm.
- III. Return of Income for the A.Y. 2018-19 was e-filed on 19.09.2018 declaring total income of Rs. 21,99,550/- wherein additional income of

Rs. 5,095/- was offered as undisclosed business income on account of difference in stock between physically found and balance as per books of accounts. The assessment was completed under section 143(3) r.w.s. 153A of the IT Act, 1961 *vide* order dated 30.12.2019 at a total income of Rs. 44,67,880/-. The only addition made was amounting to Rs. 22,68,327/- on account of alleged excess stock found during the course of survey.

GROUND NOs 1 to 6: Addition of Rs. 22,68,327/- on account of alleged excess stock found at the time of survey

1. ASSESSMENT PROCEEDINGS

1.1. During the course of survey action; Stock of Plywood, Chip, Vinear Wood, Cylindrical Wood, Board, Sunmica etc. was found at the following business premises:

S. No.	Business Place	Amount (in Rs.)
i.	212, Kishanpole bazar, Jaipur	11,44,197
ii.	D-46, Hathibabu Marg, Banipark, Jaipur	109,67,478
iii.	1, Near Lal Piyau, Pareek College Road, Station Road, Jaipur	1,20,32,659
		2,41,44,334

1.2. The stock as per books, as on that date, was derived at Rs. 2,18,76,007/-. Accordingly, excess stock amounting to Rs. 22,68,327 (2,41,44,334 – 2,18,76,007) was determined as on the date of survey. The inventory prepared by the Department is appearing at PB 58- 96. Statements of Shri Ashok Kumar Somani employee of the Appellant Firm were recorded during the course of survey which are placed at PB 97- 104.

1.3. In the post search enquiry, the Appellant Firm *vide* letter dated 26.04.2018 [PB 109- 112] informed the DDI Wing that there is no excess stock. It was explained, with supporting evidences, that Assessee Firm was dealing in number of varieties of the same item. Each variety had

different rates. The survey team had erroneously valued the stock with reference to the rate for the highest variety for that item.

1.4. During the course of assessment proceedings, it was explained that there was excess stock of Rs. 5,095/- only. The erroneous valuation taken by the survey team was explained. Ld. AO could not find any fault in the explanation furnished by the Assessee Firm. However, Id. AO added the alleged difference for the sole reason that “the valuation of stock was done in the presence of the employees of the firm and two independent witness, hence its valuation per say is authentic and can't be questioned” (AO page 3, last para). Ld. AO further invoked the provisions of section 115BBE for taxing the said alleged excess stock.

2. CIT(A)

2.1. Before Id. CIT(A) the same evidences were produced to substantiate that higher rates have been adopted for valuation of stock by the Department resulting into alleged excess stock. Ld. CIT(A) confirmed the action of Id. AO with the following observation at page 10 of his Order:

“However in the case of the appellant stock register is not maintained and further the nature of items remaining in the closing stock are not separately identified and not identifiable through opening stock purchase and sales etc. considering the nature of the business and the nature of the products being traded by the appellant.

In view of the above discussion this ground of appeal of the appellant is hereby dismissed.”

3. SUBMISSIONS

3.1. It is submitted that Id. CIT(A) has not expressed any disagreement with the fact that Assessee was dealing in different varieties and qualities of the same item. Ld. CIT(A) has also not disputed the documentary evidence that there was significant difference in the rates of different varieties. Ld. CIT(A) has also not disagreed that the valuation is done with reference to the rate of the highest variety of that item. It is submitted that when these facts are not in dispute then merely

because the stock records are not maintained the explanation cannot be rejected.

3.2. It is significant to note that Id. AO has not rejected the books and even Id. CIT(A), using his powers, has not rejected the books.

3.3. During the year under consideration Assessee had declared a GP of 10.53% on turnover of 17.12 crores as compared to GP of 8.86% declared on a turnover of 18.66 crores during the immediately preceding previous year. It is submitted that if the said addition of Rs. 22,68,327/- is added to the declared trading results then the GP is worked out to be 11.85 % which makes this GP to be 33.86% higher than the immediately preceding year's GP.

3.4. Complete working to substantiate the error committed by Department in assigning value to certain items at the highest rate in respect of different qualities of that item is enclosed as Annexure to this submission. Necessary bills of purchases of the quantity remaining in stock as on the date of the survey are also placed in Paper Book to support the correct valuation to be assigned to the inventory [PB 24- 57].

3.5. It is also submitted that post survey Assessee Firm had prepared correct inventory. The Assessee Firm had brought on record the error which was against the Assessee Firm wherein Department had undervalued the stock of waterproof sheet by Rs. 4,00,081/- (value taken by Department 13,185/- against the actual value of 4,13,265/- CIT (A) Page 6).

3.6. It is submitted that it is unbelievable and against the human probabilities that when assessee was dealing in various varieties and qualities of the same item, the stock, as on the date of survey, would consist that of highest variety only. Reliance is placed on the decision of the Hon'ble Supreme Court in the case of Sumati Dayal v. CIT, [1195] 214 ITR 801 (SC) which has propounded the theory of human probability.

3.7. Ld. CIT(A) has referred to certain judicial pronouncements regarding the validity of retraction (Bachittar Singh CIT(A) Page 8, Dr. SC Gupta CIT(A) Page 9). It is submitted that it is not a case of retraction. It is a case where certain patent errors have been committed by the Department and the same have been highlighted at the earliest

point by way of submission dated 26.04.2018 before the Investigation Wing immediately after search. Even the judicial pronouncements have laid down the law that if assessee substantiates the retraction with documentary evidences then mere earlier admission should not result into any adverse inference against the assessee. Reliance is placed on the judgment of the Hon'ble Supreme Court in the case of Pullangode Rubber Produce Co. [1973] 91 ITR 18 (SC).

3.8. It is submitted that during survey proceedings, statements of one employee Shri Ashok Kumar Somani were recorded that were only w.r.t. stock found at one of the THREE shops namely at 212, Kishanpole Bazar, Jaipur where stock found was only Rs. 11,44,797/- [PB 103- Q No. 25]. Therefore, the stand taken by lower authorities that stock taken was accepted by the employee of the Assessee Firm in statements recorded under section 131 is erroneous, without any basis and contrary to facts on record.

3.9. It is submitted that none of the partners were questioned about excess stock and accordingly no one had admitted about excess stock. Thus, there is no question of retraction of any admission.

3.10. Ld. AO at page 2 para 5 of his Order, has mentioned that stock was valued "...as per the rates provided by the employees of the assessee who were present there on behalf of M/s Swaroop Narain Shiv Narain...". It is submitted that survey team was duty bound to verify the rates from purchase invoices. Making additions merely on the basis of information given by employees, without verifying the same is illegal. Reliance is placed on the following judicial pronouncement:

- CIT v. Planet Hollywood India (P.) Ltd. (2024) 114 ITR (Trib.) (S. No. 22) (Mumbai)

"the cash deposits in the assessee's bank account were out of the cash balance available in the books of account, which was generated from cash sales made by the assessee to its members. As the Assessing Officer had not rejected the books of account, there was no reason to reject the explanations given by the assessee. When the evidence in the form of books of account were available, it was necessary for the Assessing Officer to address it and prove the books of account unreliable. Admittedly, the Assessing Officer did not do so. Hence, the Assessing Officer fell into error in relying upon the statements given by

the employees of the assessee and another concern, who were not aware of the entire business activities of the assessee as clearly expressed by them in their respective statements. Therefore, the Commissioner (Appeals) was justified in deleting the addition.”

3.11. Ld. Lower Authorities have over emphasized the role of witnesses. The presence of witnesses only suggests that survey was conducted in fair manner without using third degree measures. Witnesses have no role in deciding fairness of stock valuation.

In view of the above, the addition of Rs. 22,68,327/- may please be deleted.

GROUND NO. 7: Invoking the provisions of section 115BBE

Alternatively, without prejudice and without agreeing, following submission in respect of invoking the provisions of section 115BBE be considered.

1. Since there is no excess stock except to the tune of Rs. 5,095/- therefore, provisions of section 69 have no relevance and consequently provisions of section 115BBE have no application.

2. It is submitted that even if excess stock is worked out the same has to be taxed as business income under the head income from Business and Profession.

3. It is submitted that Assessee Firm has been dealing in the items since last so many years which have been found in excess at the time of survey. Before Id. CIT(A), reliance was placed on the judgment of the Jurisdictional High Court in the case of PCIT v. Bajargan Traders 86 Taxmann.com 295 (Rajasthan) 466 ITR 397(Raj) to substantiate the legal proposition that the excess stock of the items regularly traded in is generated/accumulated out of the business income of dealing in the same items. Reliance was also placed on the following decisions of different Benches of Hon'ble ITAT which have accepted the above legal proposition and consequently non-applicability of the provisions of section 115BBE:

- Govind Gidomal Lulla v. CIT ITA No. 2285/Mum/2022
- Deepak Setia v. DCIT 106 ITR (T) 125 (Amritsar- Trib.)
- Pramod Singla v. ACIT 154 Taxmann.com 347 (Chandigarh)
- ITO v. Riddhi Siddhi Jewellers 107 ITR (Trib) 662 (Rajkot)
- Overseas Leather v. DCIT 107 ITR (Trib) 688 (Chennai)

4. Further reliance is placed on a recent decision of Hon'ble ITAT, Amritsar Bench in the case of Milki Mal Des Raj Jain v. ACIT, (2024) 114 ITR (Trib.) 17 (Amritsar), which has followed the Rajasthan High Court Judgment in the case of Bajargan Traders (*supra*).

5. In addition to above it is submitted that Hon'ble Coordinate Bench of ITAT Jaipur has held that excess stock found of the items dealt with by the assessee is to be taxed as business income and, therefore, provisions of section 115BBE are not applicable in such situations:

- Mukesh Kumar Saini vs. The Pr. Commissioner of Income Tax-(Central), Jaipur-05. ITA No. 477/JPR/2024

6. Ld. CIT(A) has tried to distinguish the judgment of the Hon'ble Jurisdictional High Court in the case of Bajargan Traders (*supra*) by misinterpreting the ratio laid down by the Hon'ble High Court. The Hon'ble High Court, in fact, has held:

"In a cases where source of investment /expenditure is clearly identifiable and alleged undisclosed asset has no independent existence of its own or there is no separate physical identity of such investment/expenditure then first what is to be taxed is the undisclosed business receipt invested in unidentifiable unaccounted asset and only on failure it should be considered to be taxed u/s 69 on the premises that such excess investment is not recorded in the books of account and its nature and source is not identifiable."

It is undisputed that there was no independent physical existence of the excess stock. This has been so admitted by Id. CIT(A) at second last line of page 10 of his Order. In fact the excess stock is only on account of higher rate applied for valuing the stock. Alternatively, it is submitted that valuation of stock involves estimation. Assessee, undisputedly, is not maintaining stock records. Therefore, assuming, without agreeing, the rates applied are correct still the difference is on account of earlier errors committed by the Assessee Firm itself in assigning the rates to different variety of items in its stock. Therefore, the difference in valuation is possibly a cumulative effect of error of such estimation in earlier years and is taxed as business income in the year it is surfaced.

7. Ld. CIT(A) has also attempted to distinguish the above judgment of Jurisdictional High Court in the case of Bajargan (*supra*) by observing at page 18 of his Order that the Assessee Firm has disputed the excess stock and, therefore, for this very reason the judgment is not applicable. It is submitted

that mere disputing cannot alter the position if the said amount is ultimately taxed.

8. The Id. CIT(A) has erred in relying on the following judicial pronouncements to shift the burden of proving the source of investment on the assessee. All the following judgments are related to section 68 where definitely the burden is on the Assessee because amount is credited in his books:

- CIT v. Devi Prasad Vishwanath [1969] 72 ITR 194 (SC)
- Roshan Di Hatti v. CIT [1977] 107 ITR 938 (SC)
- Kale Khan Mohammad Hanif v. CIT [1963] 50 ITR 1 (SC)
- CIT v. M. Ganapathi Mudaliar [1964] 53 ITR 623 (SC)
- Navin Shantilal Mehta v. IT [2018] 90 taxmann.com 16 (Mumbai- Trib.)

The above decisions have no applicability because nothing was found credited in the books of the Assessee Firm. The excess stock was of the same items in which the Firm was dealing since so many years. There was no separate physical existence of these items. The difference was only on account of higher rates adopted. Therefore, it in itself, is established that excess stock was out of the business dealings of the same items.

9. Ld. CIT(A) has also erred in placing reliance on the following judicial pronouncements which have no relevance or context to the present issue involving applicability of section 115BBE. These following cases were prior to the introduction of section 115BBE and, therefore, when the excess stock was found to be taxable that made no difference, regarding rate of tax, whether taxed as business income or as income from other sources. Therefore, these decisions had no occasion to decide the issue in the context of applicability of section 115BBE.

- Neeraj Agrawal v. DCIT [2023] 152 taxmann.com 632 (Allahabad-Trib.)
- Suraj Bhan Oil (P.) Ltd. v. DCIT [2022] 446 ITR 539 (Madhya Pradesh)

10. Ld. CIT(A) has also misplaced his reliance on the judgment of the Hon'ble Supreme Court in the case of PCIT v. Deccan Tobacco Company [2022] 137 taxmann.com 470 (SC) for the following reasons:

- The Hon'ble Supreme Court has simply admitted the SLP which in itself, does not become the judgment of the Hon'ble Supreme Court.

- The issue has been decided in favour of the assessee by the Hon'ble High Court and unless it is reversed by the Hon'ble Supreme Court, the judgment of Hon'ble High Court remains in force and which is in favour of the Assessee.
- The matter was related to section 263 of the IT Act, 1961.

11. Similarly, Id. CIT(A) has further misplaced his reliance on the judgment of the Hon'ble Madras High Court in the case of SVS Oil Mills v. ACIT [2019] 418 ITR 442 [Madras] for the reason that the issue involved was with reference to allowability of deduction under section 69C and not with reference to taxability of excess stock.

12. Ld. CIT(A) has also discussed the issue of "No Double Taxation" as well as "verifiable purchase behind the stock otherwise unexplained" at page 25 of his Order, which issues have not at all been raised by the Assessee nor there exists any controversy in this regard.

In view of the above, invoking of the provisions of section 115BBE may please be quashed. "

6. In addition to the above written submission, the Id. AR appearing on behalf of the assessee submitted following charts for the contention on the valuation which reads as under :

SUNMICA

As Per Department					Actuals			Bill No	Date	Supplier
S. No.	Area (in Sq. ft.)	No. of pieces	Rate per sheet	Total value	No. of pieces	Rate per sheet	Total value			
1	8*4, 1 mm	2732	669	1827708	1582	669	1058358.00	1702000214	18.07.17	Shirdi Ind Ltd
					550	220	121000.00	3023	28.06.17	Patel Wood Product
					600	220	132000.00	9641	29.06.17	Patel Golden Plywood Co
					2732		1311358.00			

Supplier Name	Date	Quantity	Rate	PB
Patel Wood Product	28-06-2017	660	220	26
Patel Golden Plywood Co	29-06-2017	630	220	27

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.220 per piece. Therefore, the quantity of 550+600=1150 remaining in closing stock as on the date of Survey out of these purchases of 660+630=1290, should be valued @Rs.220 per piece.

2	8*4, 0.8 mm	6434	413	2657242	3380	413	1395940.00	1702001011	24.08.17	Shirdi Ind Ltd
					800	174	139200.00	9493	27.05.17	Patel Golden Plywood Co
					875	174	152250.00	9448	16.05.17	Patel Golden Plywood Co
					1379	180.16	248440.64	9266	08.04.17	Patel Golden Plywood Co
					6434		1935830.64			

Supplier Name	Date	Quantity	Rate	PB
Patel golden Plywood Co	27-05-2017	825	174	29
Patel golden Plywood Co	16-05-2017	900	174	30
Patel golden Plywood Co	08-04-2017	1539	180.16	31

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.174, Rs.180.16 per piece respectively. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.174, Rs.180.16 per piece respectively.

PLYWOOD

20a	19	8	4	350	1040.5	170	176885.92	133	138387.22	1	21.05.15	S.S.Plywood & veneer
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.133 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.133 per sq.mtr.

62	3	8	4	960	2854	50	142697.88	53	151259.75	R-15	01.06.16	Steel Wood & Veneer
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Supplier Name	Date	Quantity (Alt)	Rate	PB
Steel Wood & Veneer	01-06-2016	893	53	32

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.53 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.53 per sq.mtr. In the instant case, the actual rate is more , therefore, the correct valuation has increased.

73	8	2	2	100	37.161	50	1858.05	48.2	1791.16	25	18.04.15	Vidhya Ply and Board P Ltd
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Supplier Name	Date	Quantity	Rate	PB
Vidhya Ply and Board P Ltd	18-04-2015	409.43	48.2	33
Vidhya Ply and Board P Ltd	18-04-2015	22.77	48.2	33

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.48.2 per sq. mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.48.2 per sq. mtr.

79	4	6	4	8	17.837	50	891.86	53	945.37	R-15	01.06.16	Steel Wood & Veneer
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Supplier Name	Date	Quantity	Rate	PB
Steel Wood & Veneer	01-06-2016	893	53	32

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.53 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.53 per sq.mtr. In the instant case, the actual rate is more , therefore, the correct valuation has increased.

81	4	7	4	250	650.32	50	32515.79	53	34466.74	R-15	01.06.16	Steel Wood & Veneer
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Supplier Name	Date	Quantity	Rate	PB
Steel Wood & Veneer	01-06-2016	893	53	32

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.53 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.53 per sq.mtr. In the instant case, the actual rate is more, therefore, the correct valuation has increased.

84	4	6	4	29	64.66	50	3233.00	53	3426.98	R-15	01.06.16	Steel Wood & Veneer
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Supplier Name	Date	Quantity	Rate	PB
Steel Wood & Veneer	01-06-2016	893	53	32

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.53 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.53 per sq.mtr. In the instant case, the actual rate is more , therefore, the correct valuation has increased.

85	19	6	4	10	22.297	160	3567.45	153	3411.37	61	10.10.16	Angeera Plywood p ltd
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.153 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.153 per sq.mtr.

93	8	6	4	15	33.445	50	1672.24	48.2	1612.04	25	18.04.15	Vidhya Ply and Board P Ltd
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Supplier Name	Date	Quantity	Rate	PB
Vidhya Ply and Board P Ltd	18-04-2015	409.43	48.2	33
Vidhya Ply and Board P Ltd	18-04-2015	22.77	48.2	33

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.48.2 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.48.2 per sq.mtr.

113	4	5	2.5	40	46.451	50	2322.56	53	2461.91	R-15	03.05.17	Steel Wood & Veneer
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.53 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.53 per sq.mtr. In the instant case, the actual rate is more , therefore, the correct valuation has increased.

FLUSH DOOR WOOD

2	30	78	6.5	42	3.5	22.75	14	300	8876.81	287	8492.15	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind.	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

4	30	78	6.5	42	3.5	22.75	24	300	15217.39	287	14557.97	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind.	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

5	30	75	6.25	42	3.5	21.875	9	300	5487.04	287	5249.27	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB

Vijay Plywood Ind.	06-03-2017	1012.50	287	41
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

7	30	84	7	36	3	21	11	300	6438.13	215	4613.99	31	12.2.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest Paper and Plyboard	12-02-2017	151.79	215	37

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

8	30	72	6	42	3.5	21	2	300	1170.57	287	1119.84	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind.	06-03-2017	1012.50	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

9	30	75	6.25	39	3.25	20.3125	2	300	1132.25	287	1083.18	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind.	06-03-2017	1012.50	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

10	30	78	6.5	39	3.25	21.125	11	300	6476.45	287	6195.80	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind.	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

11	30	78	6.5	36	3	19.5	25	300	13586.96	200	9057.97	4	19.08.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest Paper and Plyboard	19-08-2017	54.79	200	38

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.200 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.200 per sq.mtr.

12	30	81	6.75	39	3.25	21.9375	7	300	4279.89	200	2853.26	4	19.8.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest Paper and Plyboard	19-08-2017	54.79	200	38

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.200 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.200 per sq.mtr.

13	30	81	6.75	33	2.75	18.5625	25	300	12933.74	230	9915.87	3	25.4.15	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood P. LTD	25-04-2015	77.60	230	34

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.230 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.230 per sq.mtr.

14	30	84	7	33	2.75	19.25	25	300	13412.76	287	12831.54	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

15	30	78	6.5	33	2.75	17.875	20	300	9963.77	287	9532.00	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

16	30	75	6.25	33	2.75	17.1875	15	300	7185.41	287	6874.04	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

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17	30	78	6.5	30	2.5	16.25	15	300	6793.48	287	6499.09	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

19	30	81	6.75	30	2.5	16.875	8	300	3762.54	200	2508.36	4	19.8.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	19-08-2017	54.79	200	38

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.200 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.200 per sq.mtr.

21	30	78	6.5	27	2.25	14.625	45	300	18342.39	287	17547.55	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr . Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr .

23	30	81	6.75	27	2.25	15.1875	4	300	1693.14	215	1213.42	29	04.02.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	04-02-2017	84.87	215	36

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

25	30	81	6.75	24	2	13.5	9	300	3386.29	287	3239.55	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

27	30	75	6.25	27	2.25	14.0625	15	300	5878.97	287	5624.22	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
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Vijay Plywood Ind	06-03-2017	1012.5	287	41
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

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28	30	81	6.75	36	3	20.25	15	300	8465.72	250	7054.77	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

29	30	72	6	36	3	18	15	300	7525.08	287	7199.00	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

30	30	84	7	36	3	21	8	300	4682.27	215	3355.63	31	12.2.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	12-02-2017	151.79	215	37

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

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31	30	81	6.75	36	3	20.25	10	300	5643.81	250	4703.18	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira Plywood pltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

32	30	84	7	36	3	21	10	300	5852.84	215	4194.54	31	12.2.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	12-02-2017	151.79	215	37

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

45	30	78	6.5	39	3.25	21.125	90	300	52989.13	287	50692.93	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

46	30	84	7	36	3	21	10	300	5852.84	215	4194.54	31	12.2.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	12-02-2017	151.79	215	37

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

47	30	78	6.5	36	3	19.5	33	300	17934.78	287	17157.61	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

48	30	78	6.5	30	2.5	16.25	38	300	17210.14	287	16464.37	183	06.03.17	Vijay Plywood Ind
49	30	78	6.5	30	2.5	16.25	53	300	24003.62	287	22963.47	183	06.03.17	Vijay Plywood Ind

Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

50	30	81	6.75	24	2	13.5	100	300	37625.42	287	35994.98	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

51	30	78	6.5	27	2.25	14.625	27	300	11005.43	287	10528.53	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

52	30	81	6.75	33	2.75	18.5625	35	300	18107.23	230	13882.21	3	25.4.15	Angira plywood p ltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	25-04-2015	77.60	230	34

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.230 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.230 per sq.mtr.

53	30	84	7	30	2.5	17.5	40	300	19509.48	287	18664.07	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

54	30	84	7	33	2.75	19.25	25	300	13412.76	200	8941.84	5	1.9.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	01-09-2017	65.67	200	39

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.200 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.200 per sq.mtr.

55	30	81	6.75	33	2.75	18.5625	55	300	28454.22	230	21814.90	3	25.4.15	Angira plywood p ltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB

Angira plywood pltd	25-04-2015	77.60	230	34
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.230 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.230 per sq.mtr.

56	30	78	6.5	36	3	19.5	45	300	24456.52	287	23396.74	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

57	30	81	6.75	36	3	20.25	75	300	42328.60	250	35273.83	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood pltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

59	30	81	6.75	36	3	20.25	68	300	38377.93	250	31981.61	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood pltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

60	30	81	6.75	42	3.5	23.625	38	300	25020.90	287	23936.66	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

61	30	78	6.5	39	3.25	21.125	36	300	21195.65	287	20277.17	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

63	30	78	6.5	33	2.75	17.875	40	300	19927.54	287	19064.01	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

64	30	81	6.75	36	3	20.25	41	300	23139.63	250	19283.03	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood pltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

65	30	72	6	36	3	18	19	300	9531.77	287	9118.73	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

66	30	84	7	27	2.25	15.75	22	300	9657.19	287	9238.71	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

67	30	78	6.5	36	3	19.5	35	300	19021.74	287	18197.46	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

69	30	75	6.25	36	3	18.75	33	300	17244.98	215	12358.90	31	12.02.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	12-02-2017	151.79	215	37

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

70	30	78	6.5	36	3	19.5	13	300	7065.22	287	6759.06	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

72	30	84	7	36	3	21	90	300	52675.59	215	37750.84	91	17.07.17	everest paper & plyboard
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

76	30	84	7	39	3.25	22.75	17	300	10778.99	200	7185.99	5	1.9.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	01-09-2017	65.67	200	39

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.200 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.200 per sq.mtr.

77	30	75	6.25	27	2.25	14.0625	29	300	11366.01	287	10873.48	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

78	30	81	6.75	24	2	13.5	61	300	22951.51	287	21956.94	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

79	30	78	6.5	42	3.5	22.75	32	300	20289.86	287	19410.63	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.
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82	30	75	6.25	27	2.25	14.0625	38	300	14893.39	287	14248.01	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

83	30	81	6.75	24	2	13.5	48	300	18060.20	215	12943.14	29	04.02.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	04-02-2017	84.87	215	36

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.215 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.215 per sq.mtr.

85	30	78	6.5	30	2.5	16.25	24	300	10869.57	287	10398.55	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

92	30	81	6.75	36	3	20.25	45	300	25397.16	250	21164.30	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

93	30	81	6.75	45	3.75	25.3125	52	300	36684.78	287	35095.11	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

94	30	81	6.75	36	3	20.25	28	300	15802.68	250	13168.90	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

95	30	81	6.75	39	3.25	21.9375	21	300	12839.67	200	8559.78	4	19.8.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	19-08-2017	54.79	200	38

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.200 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.200 per sq.mtr.

96	30	82	6.83	39	3.25	22.21	31	300	19187.80	230	14710.65	3	25.4.15	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	25-04-2015	77.60	230	34

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.230 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.230 per sq.mtr.

97	30	81	6.75	36	3	20.25	83	300	46843.65	250	39036.37	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr.

Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

98	30	81	6.75	33	2.75	18.5625	17	300	8794.94	287	8413.83	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

99	30	81	6.75	33	2.75	18.5625	22	300	11381.69	287	10888.48	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

105	30	81	6.75	36	3	20.25	48	300	27090.30	250	22575.25	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

106	30	72	6	36	3	18	33	300	16555.18	287	15837.79	183	06.03.17	Vijay Plywood Ind
107	30	75	6.25	33	2.75	17.1875	52	300	24909.42	287	23830.01	183	06.03.17	Vijay Plywood Ind
108	30	78	6.5	30	2.5	16.25	68	300	30797.10	287	29462.56	183	06.03.17	Vijay Plywood Ind
109	30	75	6.25	27	2.25	14.0625	57	300	22340.09	287	21372.02	183	06.03.17	Vijay Plywood Ind

Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr.

Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

112	30	75	6.25	36	3	18.75	48	300	25083.61	287	23996.66	183	06.03.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

113	30	81	6.75	27	2.25	15.1875	77	300	32593.02	287	31180.65	31	12.05.17	Vijay Plywood Ind
114	30	84	7	24	2	14	60	300	23411.37	287	22396.88	31	12.05.17	Vijay Plywood Ind

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

116	30	78	6.5	39	3.25	21.125	50	300	29438.41	287	28162.74	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

118	30	78	6.5	42	3.5	22.75	30	300	19021.74	287	18197.46	62	30.06.17	Vijay Plywood Ind
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	30-06-2017	900	287	40

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

119	30	75	6.25	42	3.5	21.875	22	300	13412.76	287	12831.54	183	06.03.17	Vijay Plywood Ind
120	30	72	6	30	2.5	15	19	300	7943.14	287	7598.94	183	06.03.17	Vijay Plywood Ind
121	30	75	6.25	42	3.5	21.875	20	300	12193.42	287	11665.04	183	06.03.17	Vijay Plywood Ind
122	30	78	6.5	24	2	13	9	300	3260.87	287	3119.57	183	06.03.17	Vijay Plywood Ind

Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Vijay Plywood Ind	06-03-2017	1012.5	287	41

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

123	30	84	7	39	3.25	22.75	24	300	15217.39	200	10144.93	5	1.9.17	everest paper & plyboard
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Everest paper and plyboard	01-09-2017	65.67	200	39

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.200 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.200 per sq.mtr

125	30	81	6.75	27	2.25	15.1875	10	300	4232.86	287	4049.44	31	12.05.17	Vijay Plywood Ind
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.287 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.287 per sq.mtr.

126	30	81	6.75	36	3	20.25	11	300	6208.19	250	5173.49	61	10.10.16	Angira plywood pltd
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Angira plywood p ltd	10-10-2016	9.41	250	35

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.250 per sq.mtr. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.250 per sq.mtr.

WATER PROOF SHEETS

Swaroop Narain Shiv Narain												
Water proof sheets										Annexure-4		
As per Department							Actuals			Bill No	Date	Supplier
S. No.	Thickness (in mm)	Length (in ft.)	Breadth (in ft.)	No. of pieces	Rate (in sq. ft.)	Total value	Correct Area (Sq Ft)	Rate	Correct Amount			
1	18	8	4	46	81.54	3750.84	1472	81.54	120026.88	BWT00219	02.09.17	Brothers Woodtrek Ind P Ltd
2	12	8	4	40	58.08	2323.2	1280	58.08	74342.40	BWT00219	02.09.17	Brothers Woodtrek Ind P Ltd
3	8	8	4	30	39.3	1179	960	39.30	37728.00	BWT00219	02.09.17	Brothers Woodtrek Ind P Ltd
4	4	8	4	90	24.45	2200.5	2880	21.45	61776.00	BWT00219	02.09.17	Brothers Woodtrek Ind P Ltd
5	18	8	4	40	63.8	2552	1280	63.80	81664.00	BWT00219	02.09.17	Brothers Woodtrek Ind P Ltd
6	8	8	4	30	39.3	1179	960	39.30	37728.00	BWT00219	02.09.17	Brothers Woodtrek Ind P Ltd
Total						13184.54			413265.28			

Supplier Name	Date	Quantity	Rate	PB
Brothers Woodtrek Ind P Ltd	02-09-17	800	28.74	42
Brothers Woodtrek Ind P Ltd	02-09-17	640	39.30	42
Brothers Woodtrek Ind P Ltd	02-09-17	640	58.08	42
Brothers Woodtrek Ind P Ltd	02-09-17	1920	81.54	42
Brothers Woodtrek Ind P Ltd	02-09-17	960	21.45	42
Brothers Woodtrek Ind P Ltd	02-09-17	2400	63.8	42

- The rate is applied to a wrong measurement i.e. instead of area, rate is applied on no. of pieces.

BANI PARK (PLYWOOD)

1	Red Ply	11	8	4	335	995.912	305	303753	252.45	251418	37	22.05.2017	VENUS LAMINATES
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Venus Laminates	22-05-2017	1488.4000	252.45	49

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.252.45 per Sqr Mtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs. 252.45 per Sqr Mtrs.

4	Red Ply	11	8	4	36	107.023	305	32642	252.45	27018	48	06.06.2017	VENUS LAMINATES
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Supplier Name	Date	Quantity (Sq. Mtr)	Rate	PB
Venus Laminates	06-06-2017	1786.0800	252.45	50

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs. 252.45 and Rs. 252.45 per Sqr Mtrs respectively. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs. 252.45 and Rs. 252.45 per Sqr Mtrs respectively.

5	MDF	16	8	4	230	683.761	415.53	284123	382.28	261388	7017066417	30.08.2017	GREEN PLY INDUSTRIES LTD
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.382.28 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.382.28 per SqrMtrs.

8 Ply	3	8	4	1490	4429.580	147.49	653319	43.00	190472	18	05.07.2016	Super Wood Industries
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Supplier Name	Date	Quantity (Sq.mtr)	Rate	PB
Super wood Industries	05-07-2016	2976.80	43	47

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.43 per Sqr Mtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.43 per SqrMtrs.

9 Ply	18	8	4	340	1010.777	415.53	420008	150.00	151616	61	10.10.2016	ANGIRA PLYWOOD PVT LTD
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Supplier Name	Date	SqrMtrs	Rate	PB
Angira Plywood Pvt Ltd	10-10-2016	492.01	150	44

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.150 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.150 per SqrMtrs.

10 Ply	4	8	4	167	496.470	147.49	73224	43.00	21348	20	13.07.2016	Super Wood Industries
13 Ply	4	8	4	180	535.117	147.49	78924	43.00	23010	20	13.07.2016	Super Wood Industries
14 MDF	4	8	4	160	475.660	147.49	70155	43.00	20453	20	13.07.2016	Super Wood Industries
29 Ply	3	8	4	1210	3597.176	613	2205069	43.00	154679	20	13.07.2016	Super Wood Industries

Supplier Name	Date	SqrMtrs	Rate	PB
Super Wood Industries	13-07-2016	3274.28	43	48

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.43 per Sqr Mtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.43 per Sqr Mtrs.

35	Red Ply	11	8	4	560	1664.809	305	507767	220.00	366258	T-16	22.07.2017	Venus Laminates
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Supplier Name	Date	SqrMtrs	Rate	PB
Venus Laminates	22-07-2017	1488.400	220	51

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.220 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.220 per SqrMtrs.

51	Ply	4	8	4	444	1319.955	56	73918	46.00	60718	79	25.05.16	Lalsons Ply Board Pvt Ltd
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Supplier Name	Date	SqrMtrs	Rate	PB
Lalsons Ply Board Pvt Ltd	25-05-2016	2083.76	46	46

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.46 per Sqr Mtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.46 per Sqr Mtrs.

108	Ply	4	8	4	700	2081.011	56	116537	46.00	95726	79	25.05.16	LALSONS PLYBOARD PVT LTD
-----	-----	---	---	---	-----	----------	----	--------	-------	-------	----	----------	--------------------------

Supplier Name	Date	SqrMtrs	Rate	PB
Lalsons Ply Board Pvt Ltd	25-05-2016	2083.76	46	46

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.46 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.46 per SqrMtrs.

129	Board	19	7	3	7	13.657	73	997	120.00	1639	68	24.02.2017	Aggarwal Wood Works
-----	-------	----	---	---	---	--------	----	-----	--------	------	----	------------	---------------------

Supplier Name	Date	SqrMtrs	Rate	PB
Aggarwal Wood Works	24-02-2017	203.14	120	43

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.120 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.120 per SqrMtrs. In the instant case, the actual rate is more , therefore, the correct valuation has increased.

130	Boorada Board	6	8	4	199	591.602	160	94656	73.00	43187	CS-233	02.09.2017	BAVEJA PLYWOOD HOUSE
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Supplier Name	Date	SqrMtrs	Rate	PB
Baveja plywood house	02-09-2017	3564	73	45

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.73 per Sqr Mtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.73 per Sqr Mtrs.

133	Boorada Board	4	8	4	446	1325.901	56	74250	46.00	60991	79	25.05.16	Lalsons Plybard Pvt Ltd
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Supplier Name	Date	SqrMtrs	Rate	PB
Lalsons Ply Board Pvt Ltd	25-05-2016	2083.76	40	46

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.46 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.46 per SqrMtrs

135	Boorada Board	2.5	8	4	55	163.508	230	37607	56.00	9156	T-3	22.07.2017	GUPTA GLAASS TRADERS
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- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.56 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.56 per SqrMtrs.

136	Boorada Board	3	8	4	516	1534.002	95	145730	43.00	65962	18	05.07.2016	Super Wood Industries
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Supplier Name	Date	SqrMtrs	Rate	PB
Super wood Industries	05-07-2016	2976.80	43	47

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.43 per SqrMtrs. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.43 per SqrMtrs.

BANIPARK (PLYWOOD- ACTION TESSA FLOORING)

Swaroop Narain Shiv Narain

BANI PARK (Plywood- Action Tessa Flooring)

Annexure - 6

Sl. No.	Material	As per Department						Actuals			BILL NO	DATED	Supplier	
		Thickness (in mm)	Length (in ft.)	Breadth (in ft.)	No. of pieces	Sq Mtrs	Rate (Sq mt.)	Total value	Correct Rate	Correct Amount				
141	Action Tessa Flooring	8	1214mm	193mm	8nos	12		1171	0.00	1128	13541	12805/15-16	25.02.16	Balaji Action Buildwell
					Box		MRP/Sq Mtr			Rate /Box				

Supplier Name	Date	Quantity	SqrMtrs	Rate	PB
Balaji Action Buildwell	26/02/2016	12	22.4160	1128	52

- The department has taken NIL value. Although, inventorised the quantity at 12 pieces. In the instant case, the actual rate is more , therefore, the correct valuation has increased.

should be valued @Rs.36778 per CBM. In the instant case, the actual rate is more , therefore, the correct valuation has increased.

CEILING PATTI WOOD

Ceiling Patti				Annexure 9		
As per department				Actual		Bill Details
S. No.	Quantity of material (CUM)	Rate	Total Volume	Rate	Amt	
1	15.403	16131.27	248469.95	29028	447118.28	64, dated 11.10.2016 , Arunodaya Ind
		Total	248469.95	Total	447118.28	

Supplier Name	Date	Quantity(CBM)	Rate	PB
Aryodayaind	11-01-2016	15.245	29028	57

- It is evidenced that, product of similar description having different brand / variety was also purchased by the assessee @Rs.29028 per CBM. Therefore, the quantity remaining in stock, out of these purchases, should be valued @Rs.29028per CBM. The assessee, in order to arrive at the correct valuation, itself has increased the value by Rs. 1,98,649 (Rs.4,47,118 - Rs.2,48,469). In the instant case, the actual rate is more, therefore, the correct valuation has increased.

FEVICOL

Swaroop Narain Shiv Narain

FEVICOL STOCK KEPT SAPERATELY**Annexure 13**

S. No.	Weight in Kg	No. of pieces	Average Rate	Amt	-Discount	Total value	Bill no	Date	Bill Amount	Supplier
1	20	7	2700.80	18905.60	-1067.02	17838.58	1123454241	27.09.17	178674	Pidilite Industries Ltd
	50	8	5946.50	47572.00	-400	47172.00				
	20	15	3100.00	46500.00	-2297.1	44202.90				
	50	10	6946.00	69460.00	0	69460.00				
						178673.48				
2	20	5	3245.20	16226	-324.52	15901.48	FV529	26.09.17	53776	Shambhavi Associates
	50	5	7729.50	38647.5	-772.95	37874.55				
						53776.03				
3	20	5	2700.80	13504.00	-762.16	12741.84	1123454055	23.09.17	135905	Pidilite Industries Ltd
	50	10	5946.50	59465.00	-500	58965.00				
	20	10	3100.00	31000.00	-1531.4	29468.60				
	50	5	6946.00	34730.00	0	34730.00				
						135905.44				
4	2	12	346.22	4154.64	-83.09	4071.55	FV492	23.09.17	68081	Shambhavi Associates
	5	20	829.55	16591.00	-625.82	15965.18				
	10	10	1597.60	15976.00	-613.52	15362.48				
	20	9	3245.20	29206.80	-584.8	28622.00				
	1	10	301.98	3019.80	-60.396	2959.40				
						66980.61				
5	20	1	3245.20	3245.20	-64.90	3180.30	FV497	23.09.17	4038	Shambhavi Associates
	1	4	218.82	875.28	-17.51	857.77				
						4038.07				
6	10	12	1597.60	19171.20	-736.22	18434.98	FV 462	19.09.17	18435	Shambhavi Associates
7	5	4	735.85	2943.40	-137.27	2806.13	FV 384	09.09.17	68670	Shambhavi Associates
	20	6	1407.4	8444.40	-404.09	8040.31				
	5	4	829.55	3318.20	-125.16	3193.04				
	10	6	1597.60	9585.60	-368.11	9217.49				
	50	5	7729.50	38647.5	-772.95	37874.55				
	1	10	301.98	3019.80	-60.396	2959.40				
	2	6	586.30	3517.80	-70.356	3447.44				
					67538.37					
8	50	10	6946	69460.00	0	69460.00	1123453313	09.09.18	208848	Pidilite Industries Ltd
	20	6	2548.35	15290.10		15290.10				
						84750.10				
						610097.08				

- It is unbelievable that the Assessee would have NIL stock of fevicol as on date of Survey. In the instant case, actual physical stock was existing, therefore, the correct valuation has increased.”

7. To support the contention so raised in the written submission reliance was placed on the following evidence / records / decisions:

S. No.	Particulars	Page No.																														
1.	Copy of the Master Summary for comparing valuation rates taken by Department <i>vis-a-vis</i> correct rate as per Purchase Bills	1-23																														
2.	<p>Copy of the Purchase Bills to substantiate rate for valuation of Closing Stock</p> <table border="1"> <thead> <tr> <th>S.no.</th> <th>Item</th> <th>PB</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Sunmica</td> <td>24-31</td> </tr> <tr> <td>2</td> <td>Plywood</td> <td>32-33</td> </tr> <tr> <td>3</td> <td>Flush Door Wood</td> <td>34-41</td> </tr> <tr> <td>4</td> <td>Water proof sheets</td> <td>42</td> </tr> <tr> <td>5</td> <td>Banipark (Plywood)</td> <td>43-51</td> </tr> <tr> <td>6</td> <td>Banipark (Action-tesa)</td> <td>52</td> </tr> <tr> <td>7</td> <td>Banipark (Micasa Wooden Flooring)</td> <td>53-55</td> </tr> <tr> <td>8</td> <td>Cheed Wood & Marandi</td> <td>56</td> </tr> <tr> <td>9</td> <td>Ceiling Patti Wood</td> <td>57</td> </tr> </tbody> </table>	S.no.	Item	PB	1	Sunmica	24-31	2	Plywood	32-33	3	Flush Door Wood	34-41	4	Water proof sheets	42	5	Banipark (Plywood)	43-51	6	Banipark (Action-tesa)	52	7	Banipark (Micasa Wooden Flooring)	53-55	8	Cheed Wood & Marandi	56	9	Ceiling Patti Wood	57	24-57
S.no.	Item	PB																														
1	Sunmica	24-31																														
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7	Banipark (Micasa Wooden Flooring)	53-55																														
8	Cheed Wood & Marandi	56																														
9	Ceiling Patti Wood	57																														
3.	<p>Copy of the Inventory taken by Survey team: -</p> <p>A. Lal Peau near Pareek College road</p> <p>B. Kishanpole</p>	58-96																														
4.	Copy of the statements recorded of Shri Ashok Kumar Somani on 28/09/2017	97-104																														
5.	Copy of the Partnership Deed	105-108																														
6.	Copy of the explanation dated 26/04/2018 furnished before DDIT post search regarding alleged excess stock	109-112																														

- **Case laws relied upon:**

S. No.	Particulars	Pg. No.
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1	Copy of order of Hon'ble Rajasthan High Court in case of PCIT v. Bajargan Traders [2017] 86 taxmann.com 295 (Rajasthan)	1-3
2	Copy of order of Hon'ble ITAT, Amritsar Bench, in case of Milkhi Mal Das Raj Jain v. ACIT (2024) 114 ITR (Trib.) 17 (Amritsar)	4-21
3	Copy of order of Hon'ble ITAT, Jaipur Bench, in case of Mukesh Kumar Saini v. PCIT in ITA No. 477/JP/2024	22-49
4	Copy of order of Hon'ble ITAT, Mumbai Bench, in case of CIT v. Planet Hollywood India (P.) Ltd. (2024) 114 ITR (Trib.) (S. No. 22) (Mumbai)	55-51

8. The Id. AR of the assessee in addition to the written submission explaining the difference vehemently argued that ground Nos. 1 to 6 being interconnected deals addition of alleged excess stock amount. The Id. AR of the assessee submitted that it is not under dispute about the quantity but it of the dispute of valuation of stock conducted by the revenue. The stock was taken out at 3 different premises and the only dispute relates to the valuation considered to value of the stock. The survey team has taken the valuation based on the market price or considering the misconception of taking the price of the quantity and even in some cases as explained in the annexure to the submission that in some case stock it was not valued at cost price or realizable whichever is lower. During the course of post survey investigation, the assessee

summarized the valuation of stock taken and actual difference and assessee submitted that the actual difference should be 5095.38 only and not Rs. 22,68,327/-. The same explanation were furnished before Assessing Officer that there is no dispute about the quantity but the dispute relates to valuation of stock made by the Revenue Officer the addition and Assessing Officer that the assessee has not maintained stock register but since the assessee is not disputing about the quantity found but it has disputed the valuation of stock found. Therefore, there is no role of maintaining the stock register and therefore, the valuation of stock is to be based on the regular method of accounting accepted by the assessee. The inventory stock of the 3 premises were taken on same day and valuation has been hurriedly done for which the Id. AR of the assessee filed difference of each item where the valuation has been disputed by filing and separate annexure running into page No. 1 to 33 of written submission filed by assessee. The employee has submitted the valuation and sometimes employee could not recognise the marketability or realizability of product. Therefore, the valuation figures submitted by employee at three godowns cannot be made basis to make the

addition without considering the merits of the valuation aspect. All the details were placed before Assessing Officer which he has not appreciated and made the addition of Rs. 22,68,327/- u/s 69A of the Act of the stock alleged to have been found in excess. When the matter carried before Id. CIT(A), the assessee submitted all the relevant details stating that the valuation of item is considered based on the rate provided by the employee of the assessee and the Id. CIT(A) has merely confirmed the addition on the aspect that the does not maintain the stock register. Id. CIT(A) did not deal with the aspect of the valuation and therefore, the assessee is in appeal to challenge the valuation aspect for which the assessee filed a detailed submission even in the post search proceedings before DDIT on 26.04.2018 i.e. in a reasonable time which has not been considered on its merits of the issue. Therefore, this appeal is filed in the interest of justice by the assessee. Ground No. 2 being consequential be decided based on the written submission filed by the assessee for which the Id. AR of the assessee relied upon the various case laws cited in the written submission.

9. Per contra, the Id. DR relied upon the finding of Id. CIT(A) who has considered all the aspect of the assessee raised before

him. The assessee is trading multiple items and those multiple items rate is being different and taken and submitted by the technical person at the time of survey and after seeing the records. Thus, the contentions given by the employee at the time of search cannot be ignored. Thus, now making the u-turn for the rate to be adopted of stock found at the time of search and the assessee is disputing the rate only is not correct. The case laws relied upon by the Id. AR of the assessee are not applicable to the fact to the case and therefore, Id. DR relied upon the detailed finding recorded in the order of Id. CIT(A).

10. In rejoinder the Id. AR of the assessee submitted that the assessee came with clean hand and has submitted the details of stock even not taken and considered by the assessee in respect of fevicol and when the assessee is coming with clean hand the explanation granted by the assessee before DDIT soon after the survey cannot be considered afterthought the contention of the Id. CIT(A) that closing stock are not separately identified and not identifiable through opening stock purchase and sales recorded in the books is incorrect finding and without appreciating the material placed on record. Therefore, the assessee seeks justice on the

valuation aspect for which the assessee submitted all the relevant details which were not considered by the lower authorities.

11. We have heard the rival contentions and perused the material placed on record. Ground no. 1 to 6 raised by the assessee challenges the finding of the Id. CIT(A) sustaining the addition of Rs. 22,68,327/- being the amount of alleged excess stock found as compared to the book stock during the survey conducted at the business premises of the assessee. Since, all these grounds are related to one addition and grounds are being inter connected we consider it decided that grounds together. The brief facts related to the issue are that the assessee is partnership firm came into existence on 20.12.2012 and assessed to tax as such. A search and survey operation were carried out against "Swarop Narain Shiv narain & Kumawat Group" on 28.09.2017 and pursuant that action survey action was also carried out at the business premises of the assessee. During the course of survey action; stock of Plywood, Chip, Vinear Wood, Cylindrical, wood, Board, Sunmica etc. was found at the following business premises of the assessee M/s Swaroop Narain Shiv Narain:-

- (i) 212, Kishanploe Bazar, Jaipur.
- (ii) D-46, Hathibabu Marg, Banipark, Jaipur.

(iii) 1, Near Lal Piyau, Pareek College Road, Station Road, Jaipur (m)

Volume of this stock was measured physically by the survey teams present there. After that, value of this stock was done as per the rates provided by the employees of the assessee who were present there on behalf of M/s M/s Swaroop Narain Shiv Narain. On the basis of such exercise, stock was found excess by Rs.22,68,327/- than to that declared stock in the books of account of the assessee firm. The stock of the assessee as per books of account was only Rs. 2,18,76,007/-. However on verification of the stock and valuation of the same the total value of the stock was computed to Rs. 2,41,44,334/- (212, Kishanploe Bazar, Jaipur at Rs.11,44,197/-, D-46, Hathibabu Marg, Banipark, Jaipur at Rs.1,09,67,478/- and 1, Lal Pyau Pareek College Road, Jaipur at Rs.1,20,32,659/-). Hence, there was a difference of stock of Rs. 22,68,327/-. The actual stock found during the course of survey was excess by Rs. Rs. 22,68,327/-. During the course of survey the assessee was asked to furnish the explanation for the difference in the valuation of the stock. Ld. AO noted that no satisfactory reply was furnished in this regard. During the course of survey action, physical verification of stock was done by the survey

team and a list of items was prepared in the presence of Shri Ashok Kumar Somani, employee of M/s Swaroop Narain Shiv Narain at one of its shop. The value of the total stock found was Rs.11,44,197 on the basis of the price of each item conveyed by Shri Somani. The closing stock in the register maintained on the shop as on the date of survey was of Rs.11,46,797. Statement of Shri Somani was recorded u/s 131 of the Act on 28.09.17 on this issue. During the course of assessment proceedings the assessee was asked to furnish the explanation for the difference in the stock valuation vide show cause notice dated 05.09.2019. In compliance to the show cause notice the AR of assessee has furnished written reply contending that comparative item wise table of stock is being submitted by us showing the amount of valuation done at the time of the search proceedings and the actual valuation of the closing stock. The difference are on account of various factors such as

- (a) Errors in calculation of quantity of wood.
- (b) Incorrect rates taken for valuations."

The assessee has furnished the same reply as furnished during the course of survey proceedings. The assessee has not maintained stock register which has been also mentioned in the

audit report filed. Ld. AO taken a view that the reply furnished by the assessee is not verifiable. He also contended that the assessee has not furnished any justified reply for excess stock found during the course of survey action. Therefore, it is clear that the Stock records are not maintained properly and the value of closing stock declared is not verifiable. The assessee has submitted that the difference in stock is simply because of difference of formulas as applied by the survey team during the course of search proceedings but the same is not acceptable because had it been a simple case of difference of formula then the assessee would have submitted then only. The valuation of stock was done in the presence of the employees of the firm and two independent witness, hence its valuation per say is authentic and can't be questioned. Hence, in the absence of proper justification for excess stock found during the course of search the value of excess stock of Rs.22,68,327/- is being added to the total income of the assessee as unexplained investment u/s 69 r.w.s. 115BBE of the IT Act, 1961 out of its undisclosed income.

When the matter carried to Id. CIT(A), he has confirmed the action of the Id. AO and concluded that the assessee – appellant

has not been able to explain the source of funds for making expenditure for buying the stock in trade as found excess. In case it is claimed that it is from the business income the assessee is required to show how the same is from business income. While doing so the Id. CIT(A) did not deal that the assessee has filed a detailed explanation and the quantity is not disputed. Once the quantity is not disputed there is no question of buying that excess stock, as the quantity is already there, only the valuation of the same is challenged therefore, the Id. CIT(A) did not considered the overall facts placed on record by the assessee.

The bench noted that the apple of discord in the matter is whether based on the facts and circumstances the orders of the lower is correct so far as the addition of Rs. 22,68,327/- being the alleged difference between the stock as per books and stock valued at the time of survey on the three different godown of the assessee.

Before us the Id. AR of the assessee filed a detailed annexure running into page 1 to 33 explaining the difference alleged to have been calculated at 22,68,327/- is not correct but it should have been Rs. 5,095.38 only. The reconciliation based the

facts were also submitted before the DDIT, Investigation post search inquiry of group wherein the assessee has submitted a detailed chart which reads as under:

Marked as A page 110 of PB

As is evident from the above chart which was submitted within a reasonable time before DDIT, thereafter the assessee contended same explanation before Id. AO they have not considered. The contention of the assessee is that only the valuation is not correctly taken and they do not dispute the quantity that has been found and recorded in the inventory. We also take note of the fact that for year under consideration assessee declared a GP of 10.53% on turnover of 17.12 crores as compared to GP of 8.86% declared on a turnover of 18.66 crores during the immediately preceding previous year which is better. It is also submitted that if the said addition of Rs. 22,68,327/- is added to the declared trading results then the GP is worked out to be 11.85 % which makes this GP to be 33.86% higher than the immediately preceding year's GP and this cannot be so in the absence of any incriminating material found at the time of survey. The assessee filed a complete working to substantiate the error committed by revenue in assigning value to

certain items at the highest rate in respect of different qualities of that item is enclosed as Annexure to the submission (page 1 to 33). Necessary bills of purchases of the quantity remaining in stock as on the date of the survey were also placed in Paper Book to support the correct valuation to be assigned to the inventory [PB 24- 57]. The assessee also demonstrated that post survey Assessee Firm had prepared correct inventory. The Assessee Firm had brought on record the error which was against the Assessee Firm wherein Department had undervalued the stock of waterproof sheet by Rs. 4,00,081/- (value taken by Department 13,185/- against the actual value of 4,13,265/- CIT (A) Page 6). Thus, it is unbelievable and against the human probabilities that when assessee was dealing in various varieties and qualities of the same item, the stock, as on the date of survey, would consist that of highest variety only. As regards the contention of the Id. CIT(A) about the retraction it was submitted that it is not a case of retraction. It is a case where certain patent errors have been committed by the revenue and the same have been highlighted at the earliest point by way of submission dated 26.04.2018 before the Investigation Wing immediately after search. Even the judicial

pronouncements have laid down the law that if assessee substantiates the retraction with documentary evidences then mere earlier admission should not result into any adverse inference against the assessee. Reliance was placed on the judgment of the Hon'ble Supreme Court in the case of Pullangode Rubber Produce Co. [1973] 91 ITR 18 (SC). The Id. AR reiterated that during survey proceedings, statements of one employee Shri Ashok Kumar Somani were recorded that were only w.r.t. stock found at one of the THREE shops namely at 212, Kishanpole Bazar, Jaipur where stock found was only Rs. 11,44,797/- [PB 103- Q No. 25]. Therefore, the stand taken by lower authorities that stock taken was accepted by the employee of the Assessee Firm in statements recorded under section 131 is erroneous, without any basis and contrary to facts on record. It is submitted that none of the partners were questioned about excess stock and accordingly no one had admitted about excess stock. Thus, there is no question of retraction of any admission.

Even otherwise the stock which found in the books either at higher value or lower value the due profit will be recorded and is required to be charged to tax when the goods is ultimately sold in

the open market, the stock alleged be excess on account of valuation and not on quantity terms. Considering that aspect of the matter since the revenue did not pin point any error or deviation on the details supported with the bill in an annexure as reproduced herein above (page 1 to 33) in the submission part of the assessee we do not see any reason to sustained the addition merely on the ground of valuation difference of adopting rate as the assessee is holding the stock and the method of valuation adopted in the books of account from time to time has not been rejected. The valuation is carried out from the computerized books of account maintained by the assessee and the same has been duly explained and the difference of Rs. 5095 has already been offered by the assessee, ground no. 1 to 6 raised by the assessee are allowed.

Ground no. 7 raised by the assessee is charge of tax at special rate in respect of addition made and disputed in ground no. 1 to 6. Since we have on merits directed to delete that addition the present ground becomes educative in nature.

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

Order pronounced in the open court on 17/10/2024.

Sd/-
(संदीप गोसाई)
(Sandeep Gosain)
न्यायिक सदस्य / Judicial Member

Sd/-
(राठौड कमलेश जयंतभाई)
(Rathod Kamlesh Jayantbhai)
लेखा सदस्य / Accountant Member

जयपुर / Jaipur

दिनांक / Dated:- 17/10/2024

*Ganesh Kumar, Sr. PS

आदेश की प्रतिलिपि अग्रेषित / Copy of the order forwarded to:

1. अपीलार्थी / The Appellant- Swaroop Narain Shiv Narain, Jaipur
2. प्रत्यर्थी / The Respondent- ACIT, Central Circle-3, Jaipur
3. आयकर आयुक्त / CIT
4. आयकर आयुक्त / CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur.
6. गार्ड फाईल / Guard File {ITA No. 517/JP/2024}

आदेशानुसार / By order,

सहायक पंजीकार / Asst. Registrar