

IN THE INCOME TAX APPELLATE TRIBUNAL "C" BENCH : KOLKATA

[Before Hon'ble Sri Aby T.Varkey, JM & Dr.Arjun Lal Saini, AM]

I.T.A No.10/Kol/2014

Assessment Year : 2008-09

Platinum Commerce Pvt.Ltd.
Kolkata

-vs.-

D.C.I.T., Central Circle-VII,
Kolkata

[PAN : AABCP 8186 E]

(Appellant)

(Respondent)

For the Appellant : Shri Subash Agarwal, Advocate

For the Respondent : Shri Rajat Kumar Kureel, JCIT, Sr.DR

Date of Hearing : 19.12.2016.

Date of Pronouncement : 30.12.2016.

ORDER

Per Aby T.Varkey, JM

This is an appeal preferred by the Assessee against the order of CIT(A)-Central-I, Kolkata dated 29.11.2013 for AY 2008-09.

2. Ground No.1 is general in nature and does not require any adjudication and stands dismissed.

3. Ground No.2 is against the confirmation of disallowance of Rs.26,35,000/- in respect of land purchase.

4. The brief facts of the case is that the AO observed during the scrutiny assessment that the assessee company has made cash payment of Rs.25,68,000/- for purchase of land which was added back as unexplained investment because the assessee has made cash payment for purchasing the land. Aggrieved the assessee preferred an appeal before the Id. CIT(A), who has confirmed the same. Aggrieved the assessee is before us.

5. We have heard both the parties and perused the records. We take note that the AO has made the addition of Rs.25,68,000/- since the company has made cash payments to purchase the land. On appeal the Id. CIT(A) has confirmed the same by stating “ *though it was claimed that the cash payments were covered by the cash withdrawals from the bank account, the same could not be correlated as no cash flow statement was filed.*” In the light of the aforesaid fact, the Id. CIT(A) could not accept the contentions of the assessee and therefore he confirmed the addition of Rs.25,68,000/-. Before us the Id. AR took our attention to page-7 of the paper book which is the cash book of the assessee from 01.04.2007 to 31.03.2008. The Id. AR took our attention to the debit of Rs.5,00,000/- on 13.04.2007 and of Rs.5,00,000/- on 25.05.2007 and thereafter another Rs.5,00,000/- debit on 07.11.2007 and thereafter he took our attention to the cash book entry on 07.11.2007 itself wherein there are two entries for land wherein credit of Rs.12,00,000/- and Rs.84,000/- has been made. Thereafter he took our attention to the entry on 08.11.2007 wherein a debit of Rs.4,00,000/-, Rs.1,00,000/- and Rs.7,00,000/- has been made from the account of ABN Amro bank and on 20.11.2007 for land Rs.12,00,000/- and Rs.84,000/- has been credited. Thus according to the Id AR a sum of Rs.25,68,000/- has been withdrawn from the bank account of the assessee and thereafter payment were made for purchase of land. In the light of the aforesaid facts that have been brought to our notice by the Id. AR and in the light of the reason recorded by the Id. CIT(A) to reject the contention of the assessee, we are inclined to set aside the order of the Id. CIT(A) on this issue and remand the matter back to the file of the Id. CIT(A) and direct the assessee to file the cash flow statement in support of its submissions that cash payments were covered by cash withdrawals from its own bank account. The Id.CIT(A) to de novo adjudicate this issue after satisfying himself after perusal of the cash flow statement and in accordance to law decide.

6. The next issue is regarding the addition of Rs.67,000/- which has been confirmed by the Id. CIT(A) towards purchase of building. Nothing has been brought to our notice by the Id. AR to warrant our interference. Therefore we confirm the same.
7. In the result the appeal of the assessee is partly allowed.

Order pronounced in the Court on 30.12.2016.

Sd/-
[A.L.Saini]
Accountant Member

Sd/-
[Aby T.Varkey]
Judicial Member

Dated : 30.12.2016.

[RG PS]

Copy of the order forwarded to:

- 1.Platinum Commerce Pvt. Ltd., 51, Nalini Seth Road, Kolkata-700007.
2. D.C.I.T.-Central Circle-VII, Kolkata. .
- 3..CIT(A)-Central-I, Kolkata 4. CIT –Central-I, Kolkata.
5. CIT(DR), Kolkata Benches, Kolkata.

True copy

By Order

Asstt.Registrar, ITAT, Kolkata Benches

