

Court No. - 9

Case :- INCOME TAX APPEAL No. - 165 of 2010

Appellant :- The Commissioner Of Income Tax And Another

Respondent :- M/S Pashupati Nath Agro Food Products Pvt. Ltd. Hardoi

Counsel for Appellant :- Manu Ghildiyal

Counsel for Respondent :- Shambhu Chopra

Hon'ble Pankaj Mithal,J.

Hon'ble Vinod Kumar Misra,J.

We have heard Sri Manu Ghildiyal, learned counsel for the appellant and Sri Ashish Bansal who has put in appearance on behalf of the respondents.

The appeal was admitted on the following two questions of law:

"1. Whether on the facts and in the circumstances of the case, the Tribunal is justified in law in deleting the additions of Rs.30,73,542/- made on account of sale of rice out of books of Rs.28,76,125/- for investment in stock out of undisclosed sources?

2. Whether on the facts and in the circumstances of the case, the Tribunal is justified in law in deleting the additions of Rs.27,84,611/- towards investment in stock of wheat purchased out of books?"

In short the dispute is whether the Tribunal is justified in deleting the additions made on account of sale of rice and in the investment in stock of wheat outside the books of accounts.

On perusal of the impugned judgment and order of the Tribunal dated 27.10.2009 reveals that the assessee has maintained the books of accounts in accordance with the prescribed standard as per Section 145 of 'the Act'. The account books have not been rejected by the assessing officer.

In view of the above, the Tribunal formed an opinion where once the account books are expected to be maintained in the prescribed accounting standard, the assessing officer could not have made any additions towards the sale of rice treating it to be outside the books of accounts or towards investing in stock of rice and wheat outside the books of accounts.

In view of the above, the controversy as raised above in this appeal stands duly covered by the Tribunal and it cannot be said that any investment was done beyond the books of accounts.

We find no substance in this appeal and the questions raised above require no adjudication.

Accordingly, the appeal is **dismissed**.

Order Date :- 4.5.2017

Deepika