

आयकर अपीलिय अधिकरण "एक सदस्य मामला" न्यायपीठ पुणे में ।  
IN THE INCOME TAX APPELLATE TRIBUNAL "SMC" BENCH, PUNE

BEFORE SHRI R.S. SYAL, VICE PRESIDENT  
AND  
SHRI S.S. VISWANETHRA RAVI, JUDICIAL MEMBER

आयकर अपील सं. / ITA No. 1410/PUN/2019  
निर्धारण वर्ष / Assessment Year : 2015-16

M/s. R.K. Agro Products,  
27, Vallabh Nagar, Malegaon Road,  
Dhule - 424001

PAN : AAKFR3283Q

.....अपीलार्थी / Appellant

**बनाम / V/s.**

Asst. Commissioner of Income Tax,  
Circle - Dhule

.....प्रत्यर्थी / Respondent

Assessee by : N O N E

Revenue by : Smt. Shraddha Nichal/Nishtha Tiwari

सुनवाई की तारीख / Date of Hearing : 30-07-2020

घोषणा की तारीख / Date of Pronouncement : 03-08-2020

**आदेश / ORDER**

**PER S.S. VISWANETHRA RAVI, JM :**

This appeal by the assessee against the order dated 22-07-2019 passed by the Commissioner of Income Tax (Appeals)-1, Nashik [‘CIT(A)'] for assessment year 2015-16.

2. The only ground is to be decided is as to whether the CIT(A) justified in confirming the ad hoc addition to an extent of Rs.3,50,000/- in the facts and circumstances of the case.

3. We find no representation on behalf of the assessee nor any application filed seeking adjournment. The assessee called absent and set ex-parte. Therefore, we proceed to hear ld. DR and pass order basing on material available on record.

4. Heard ld. DR and perused the material available on record. The assessee is a firm engaged in the business of trading in food grains. The assessee declared total income of Rs.2,36,94,540/- and in scrutiny the AO added Rs.7,00,000/- on account of ad hoc addition for not substantiating fall in gross profit.

5. We note that the assessee filed books of account and stock register. The said books of account are audited. The contention of AO is that the gross profit declared by the assessee is much below than the gross profit declared for A.Ys. 2014-15 and 2013-14 and for not substantiating fall in the gross profit compared to A.Ys. 2014-15 and 2013-14, he added Rs.7,00,000/- on the basis of estimation. The CIT(A) restricted the addition to 50%. We find that the assessee declared gross profit @ 10.34% and 8.61% for A.Ys. 2014-15 and 2013-14, respectively whereas the current year he declared only 6.12%, in our opinion there was no finding by the AO against the books of account and stock register and even the books of account for not rejected by the authorities below. Therefore, when books of account and stock register filed and when the same were audited

in the absence of any objection regarding the same, we find no substance in estimating the gross profit, having comparison to A.Ys. 2014-15 and 2013-14. Thus, the order of CIT(A) is not justified and it is set aside. The only ground raised by the assessee is allowed.

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

Order pronounced in the open court on 03<sup>rd</sup> August, 2020.

Sd/-  
(R.S. Syal)  
VICE PRESIDENT

Sd/-  
(S.S. Viswanethra Ravi)  
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 03<sup>rd</sup> August, 2020.

RK

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(A)-1, Nashik
4. The Pr. CIT-1, Nashik
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, “एक सदस्य मामला” बेंच, पुणे / DR, ITAT, “SMC” Bench, Pune.
6. गार्ड फ़ाइल / Guard File.

//सत्यापित प्रति// True Copy//

आदेशानुसार / BY ORDER,

निजी सचिव / Private Secretary,  
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune