

Analysis

In the case of CIT Vs Haryana Co-operative Sugar Mills (Copy Enclosed) it has been held that the valuation of stock had to be taken as per the books of accounts and by applying the average sale rate of the whole year. And hence the method adopted by the assessee is permissible and of the AO is arbitrary. While holding so their lordship of Punjab and Haryana High Court has followed the decision of the Supreme Court in the case of **CIT vs. Laxmi Devi Sugar Mills (P) Ltd. 188 ITR 41 (SC).**

Copy of the Judgment is enclosed