

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH.**

I.T.A. No. 507 of 2009

DATE OF DECISION : 17.12.2009

Chander Kant

.... APPELLANT

Versus

Commissioner of Income Tax, Rohtak

..... RESPONDENT

CORAM :- HON'BLE MR. JUSTICE SATISH KUMAR MITTAL

HON'BLE MR. JUSTICE MEHINDER SINGH SULLAR

Present: Mr. Pankaj Jain, Advocate,
for the appellant-assessee.

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SATISH KUMAR MITTAL , J.

The assessee has filed this appeal under Section 260-A of the Income Tax Act, 1961 (hereinafter referred to as 'the Act'), against the order dated 31.12.2008, passed by the Income Tax Appellate Tribunal, Chandigarh 'A' Bench, Chandigarh (hereinafter referred to as 'the ITAT') in ITA No. 624/Chd/2008, pertaining to the assessment year 1990-91, raising the following substantial questions of law :

- (i) Whether the order of the ITAT is perverse for making the addition of the stock reconciled which is contrary to the material on record and having recorded an unreasonable finding?
- (ii) Whether the order of the ITAT in sustaining the addition of Rs. 1,76,790/- representing unexplained investment of stock is perverse, arbitrary and contrary to material

placed on record and, therefore vitiated in law?

- (iii) Whether the ITAT has erred both in law and, on facts in confirming the addition of unexplained investment in stock in clear disregard of its own direction in the order dated 17.10.2001 and, reconciliation of stock furnished by appellant and, material placed on record?

In this case, the dispute is about addition of Rs. 1,76,790/- by the Assessing Officer on account of difference in the stock as shown in the statement to be furnished to the bank and as appearing in the books of accounts for the assessment year 1990-91, as un-explained investment in stock. The said addition has been confirmed by the Commissioner of Income Tax (Appeals), Rohtak [hereinafter referred to as 'the CIT (A)'] as well as the ITAT, while dismissing the appeal filed by the assessee.

Learned counsel for the appellant-assessee argued that the authorities below have recorded a wrong finding of fact to the effect that there was a difference in the stock statement, which was to be furnished to the bank, and the position of stock appearing in the account books. He submits that without properly appreciating the explanation of the assessee, a wrong finding of fact has been recorded.

After hearing learned counsel for the appellant-assessee and going through the impugned order, we do not find that the concurrent finding of fact recorded by the CIT (A) as well as the ITAT is contrary to the material available on record or is perverse. The difference in the stock position was noticed on the basis of the statement dated 31.1.1990, duly signed by the assessee and was prepared for furnishing the same to the bank,

which was available on the record. The assessee has not disputed his signatures on the said statement. He has also not disputed that the said statement was prepared by the assessee for presenting it to the bank for obtaining higher credit limit. From the said statement and from the quantity of stock shown in the accounts, the difference was noticed, as the assessee has shown more quantity of stock in the aforesaid statement, which was to be presented to the bank. It was found that in case the quantity of stock in statement is at variance with the stock as shown in the books of accounts, the assessee has to be render the explanation. In the instant case, the only explanation given by the assessee is that a wrong date of 31.1.1990 instead of 16.2.1990 was put on the aforesaid statement. This explanation can not be accepted, being not satisfactory, and the aforesaid addition was made by the Assessing Officer, which has been rightly upheld by the CIT (A) as well as the ITAT, while recording a finding of fact to the effect that the addition was made by the Assessing Officer on the basis of statement prepared and signed by the assessee for furnishing the same to the bank and on account of non-explanation of the said variation.

In view of the above, we are of the opinion that no substantial question of law arises from the order of the ITAT.

Dismissed.

**(SATISH KUMAR MITTAL)
JUDGE**

December 17, 2009
ndj

**(MEHINDER SINGH SULLAR)
JUDGE**