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

**I.T.R No. 181 of 1989**

**Date of decision:24.10.2006**

**The Commissioner of Income Tax, Haryana, Rohtak**

**...Appellant**

**Versus**

**M/S Sant Ram Mangat Ram, Ambala City**

**...Respondent**

**CORAM: HON'BLE MR.JUSTICE ADARSH KUMAR GOEL**
**HON'BLE MR.JUSTICE RAJESH BINDAL**

Present: Mr.Yogesh Putney, Advocate

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**JUDGMENT**

Following questions of law have been referred for opinion of this Court by the Income Tax Appellate Tribunal, Chandigarh arising out of its order dated 8.3.1989 passed in W.T.A.No.909 of 1985, in respect of the assessment years 1982-83.

> "1.Whether on the facts and in the circumstances of the case, the Income-tax Appellate Tribunal was right in law in holding that adhoc method of account is one of the recognised methods of valuing stocks under the principles of accountancy?
>
> 2.Whether on the facts and in the circumstances of the case, the Tribunal was right in law in confirming the order of the CIT(A) deleting the addition of Rs.1,08,716/- made by the IAC (Inv), Karnal on account of under-valuation of closing stock of gold and silver?"

On a perusal of the statement of the case, we find that the Tribunal followed its decision for the assessment year 1981-82 against which reference was made to this Court. Counsel for the Revenue fairly states that the said reference, being ITR No.182 of 1989, was decided by this Court on 3.1.2005 against the Revenue.

Following the view taken earlier by this Court in the case of assessee for the previous year, the reference is answered against the revenue and in favour of the assessee.

**(Adarsh Kumar Goel)**
**Judge**

**October 24,2006** **(Rajesh Bindal)**
**Pka** **Judge**