

आयकर अपीलीय अधिकरण, सुरत न्यायपीठ, सुरत**IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT BENCH, SURAT****BEFORE SHRI KUL BHARAT, JUDICIAL MEMBER AND
SHRI O.P.MEENA, ACCOUNTANT MEMBER****ITA No.279/Ahd/2015/SRT
Assessment Year: 2010-11**

(Appellant) Sahkar Synthetics Pvt. Ltd., Plot NO.78-83, Block No.151, Shree Krishna Indl. Estate, Village Laskana, Kamrej, Surat – 394 180.	बना म/ Vs.	(Revenue) The Income Tax Officer, Ward-4(2), Surat.
P.A.N. AAMCS 9171 M		

Appellant by	Shri Rasesh Shah – CA
Respondent by	Shri B.P.K.Panda – Sr.DR
Date of Hearing:	18.02.2019
Date of Pronouncement:	19.02.2019

आदेश / ORDER**PER KUL BHARAT, J.M:**

- This appeal by the assessee is directed against the order of Ld.Commissioner of Income Tax(Appeals)-II, Surat dated 26.12.2014 pertaining to assessment year 2010-11.
- The assessee raised the following grounds of appeal :
 - “1. On the facts and circumstances of the case as well as law on the subject, the learned Commissioner of Income-tax (Appeals) has erred in partly confirming the action of the Assessing Officer in making addition of Rs.9,43,000/- on account of unexplained cash credit u/s.68 of the I.T.Act.”*

3. The facts giving raise to the present appeal are that the case of the assessee was taken up for scrutiny assessment on the assessment u/s.143(3) of the Income Tax Act, 1961 hereinafter refer to as “the Act” was framed vide order dated 26.03.2013.

4. The Assessing Officer (AO) while making the assessment, noticed that the assessee had obtained share premium from various parties. In order to verify the genuineness, the AO issued notice u/s.133(6) of the Act to Shri Kantibhai Narshibhai Sachapara, Gilabbhai Makodbhai Sachapara and Kohdabhai Thakarshibhai Sachapara etc., AO treated the same as unexplained cash credit and made addition of Rs.10,90,000/-.

5. Aggrieved by these, the assessee preferred an appeal before the Id.Commissioner of Income Tax-Appeals (CIT(A)) who after considering submissions partly allowed the appeal. The Id.CIT(A) in respect of persons namely Shri Kantibhai Narshibhai Sachapara, Gilabbhai Makodbhai Sachapara and Kohdabhai Thakarshibhai Sachapara of Rs.49,000/- each was found to be explained, rest of the credits made as investment in the share capital of Rs.9,43,000/- was upheld against this the assessee has filed the present appeal.

6. The Id.Counsel for the assessee reiterated submissions has made in the written submissions. The Id.Counsel for the assessee submitted that the addition was made on the basis of source of investment by the parties. The Id.Counsel submitted that they are agriculturalists and supporting this Id.Counsel has filed various documents which are in Gujarati i.e. Revenue Records.

7. The Id.Departmental Representative (DR) opposed the submissions of the counsel of the assessee. However, he conceded that the documents which have been filed requires verification by the AO.

8. We have heard both the parties and perused the material available on record and gone through the orders of the authorities below. The assessee has filed certain documents which are in Gujarati. As per the assessee, the documents would demonstrated that the share applicants were having sufficient source of income to make investment in the assessee company. Therefore, considering the totality of the facts, we set-aside the orders of the authorities below and restore to the AO to decide it afresh. After considering the documents i.e. the Revenue Records

related to land holding and growing of crops etc., The AO would make verification about these documents and will find out whether the share applicants have been carrying out the agricultural activities and earning income there from sufficient to make investment in the assessee company. The grounds raised by the assessee are allowed for statistical purpose.

9. In the result, appeal of the assessee is allowed for statistical purpose.

Order was pronounced in the open court on 19.02.2019.

Sd/-
(O.P.MEENA)
ACCOUNTANT MEMBER

Sd/-
(KUL BHARAT)
JUDICIALMEMBER

Surat; दिनांक Dated : 19/02/2019 / S.Gangadhara Rao/SPS
Copy to: Assessee/AO/Pr. CIT/ CIT (A)/ITAT (DR)/Guard file.

By order

/ / **TRUE COPY** / /

Assistant Registrar, Surat