

**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**“RANCHI BENCH, RANCHI**  
**VIRTUAL HEARING AT KOLKATA**

**Before Shri Sanjay Garg, Judicial Member and Shri Rajesh Kumar, Accountant Member**

**I.T.A. No.229/Ran/2019**  
Assessment Year: 2014-15

**M/s Sukun Vincom Pvt. Ltd..... Appellant**  
**9, Lal Bazar Street,**  
**Mercantile Building,**  
**Block-A, 3<sup>rd</sup> Floor,**  
**Kolkata-700001.**  
**[PAN: AAPCS2490E]**

**vs.**

**PCIT, Ranchi..... Respondent**

**Appearances by:**

None appeared on behalf of the appellant.

Shri Rinku Singh, CIT-DR, appeared on behalf of the Respondent.

Date of concluding the hearing : February 27, 2023

Date of pronouncing the order : April 28, 2023

**ORDER**

**Per Sanjay Garg, Judicial Member:**

The present appeal has been preferred by the assessee against the order dated 29.03.2019 of the Principal Commissioner of Income Tax, Ranchi [hereinafter referred to as 'CIT(A)'] passed u/s 250 of the Income Tax Act (hereinafter referred to as the 'Act').

2. No one has put in appearance on behalf of assessee. Therefore, the impugned appeal is decided ex parte of the assessee after going through the records and after hearing the Ld. DR.

3. The brief facts of the case are that the case of the assessee was selected for scrutiny for the following reasons:

“Transactions with persons located in a jurisdiction notified in section 94A (Pennystock trade data).

During the assessment proceedings, the assessee submitted all the documents including master data of the company, auditor’s report, financial statements, copies of the bank accounts, brief resume of business, details of loans and advances and opening and closing stock. In respect of reasons for scrutiny assessment, it was explained that “column in this regard was ticked yes by mistake”. The Assessing Officer completed the assessment at the returned income. Thereafter, the ld. PCIT exercised his jurisdiction and found that the Assessing Officer has not made proper enquiries during the assessment proceedings especially regarding the object and purpose of investment in unquoted equity share of Rs.2,60,75,000/-. He, therefore, held that the order of the Assessing Officer was erroneous and prejudicial to the interest of the revenue.

4. We have heard the ld. DR and also gone through the record. We find that the reason for which the case was selected for scrutiny has been duly explained before the Assessing Officer and an affidavit of the director was also given to the Assessing Officer stating that the “column in this regard was ticked yes by mistake”. We note that the ld. PCIT has exercised his revision jurisdiction and held the order of the Assessing Officer as erroneous and prejudicial to the interest of the Revenue only on vague grounds substituting his own view that there was low trading business profit, huge loans and advances and that the objective and purpose of the investment in unquoted equity shares has not been properly investigated. It is pertinent to mention here that the case of the assessee was not selected for scrutiny for examination of these aspects. Moreover, the exercise of revision

jurisdiction to hold an order erroneous and prejudicial to the interest of the revenue on the ground that the objective and motive of the investment in equity shares has not been examined, in our view, is beyond the powers provided to the ld. PCIT u/s 263 of the Act. In view of this, the impugned order passed by the ld. PCIT u/s 263 is not sustainable as per law and the same is accordingly quashed.

5. In the result, the appeal of the assessee stands allowed.

***Kolkata, the 28<sup>th</sup> April, 2023.***

Sd/-  
**[Rajesh Kumar]**  
**Accountant Member**

Sd/-  
**[Sanjay Garg]**  
**Judicial Member**

Dated: 28.04.2023.

*RS*

*Copy of the order forwarded to:*

1. M/s Sukun Vincom Pvt. Ltd
2. PCIT, Ranchi
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

*//True copy//*

By order

Assistant Registrar, Kolkata Benches