



**IN THE INCOME TAX APPELLATE TRIBUNAL,
CUTTACK BENCH, CUTTACK**

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER
AND
MANISH AGARWAL, ACCOUNTANT MEMBER**

ITA No.249/CTK/2024
Assessment Year : 2013-14

| | | |
|---|-----|-------------------------|
| M/s. Omm Dhanalaxmi Jewellers, Bazar Chowk, Main Road, Angul-759122 | Vs. | Pr. CIT, Bhubaneswar-1. |
| PAN/GIR No.AAGFD 8791 D | | |
| (Appellant) | .. | (Respondent) |

Assessee by : Shri P.K.Mishra, Adv
Revenue by : Shri Sanjay Kumar, CIT DR

Date of Hearing : 23/9/2024
Date of Pronouncement : 23/9/2024

ORDER

Per Bench

This is an appeal filed by the assessee against the order passed by the Id Pr.CIT, Bhubaneswar-1 u/s.263 of the Act dated 30.3.2024 for the Assessment Year 2013-14.

2. The assessee has raised the following grounds:

"1) That the Ld. Pr CIT Bhubaneswar has erred in law by utilizing section 263 for directing the Assessing Officer to do necessary verification as per the order of Hon'ble ITAT Cuttack Bench vide order dated 01-10-2019 which was already barred by limitation. Provisions of 263 does not allow to proceed for a matter which was already barred by limitation. Hence, the order passed us 263 needs to be quashed in to.

2) That the Ld. Pr. CIT, Bhubaneswar has erred in law by invoking section 263 on the order passed u/s 147 which itself was without jurisdiction and not legally sustainable. Hence the order passed u/s 263 is bad in law and needs to be annulled.

3) That the order of the Ld. Pr. CIT, Bhubaneswar being not proper in the eye of law hence be quashed and the appellant be given such relief or reliefs as prayed for.”

4) That the appellant craves leave to amend, alter, modify, substitute, add to, abridge and/or rescind any or all of the above grounds.

3. Brief facts of the case are that the original assessment was completed u/s.143(3) of the Act on 28.3.2016 wherein, additions on two scores were made, *firstly* towards under-valuation of closing stock of Rs. 30,21,627/- and *secondly* unexplained cash credit of Rs 83,00,000/- and interest thereon of Rs 2,29,831-. In first appeal the Ld CIT(A) has deleted the addition made on account of undervaluation of closing stock, however, sustained other additions of unexplained cash credits and interest thereon. In further appeal by the assessee before the ITAT, the Tribunal vide its order date 1.10.2019 in ITA No.153/CTK/2018, has deleted the addition of Rs.57,00,000/- representing the loans taken from three entities i.e. M/s Juhi Vanijia Pvt. Ltd of Rs. 20,00,000/-, Apex Accounting Services Pvt. Ltd of Rs 17,00,000/- & M/s Goodshine Vyapaar Pvt Ltd. Of Rs 20,00,000/-. Further set aside the issue of the remaining unexplained cash credits of Rs. 26,00,000/- and interest thereon with the direction to examine further in the matter. Thereafter before giving effect to the Order of the ITAT, the Assessing officer proceeded with reopening of the assessment by issuance

of notice u/s 148 dated 05.03.2020. The reasons for the same as provided by the AO vide letter dated 15.07.2020 reads as under:-

“ On analysis of the information received from the DDIT(Inv.), Unit-1 (3). Kolkata, it is found that the assessee- firm M/s Dhanalaxmi Jewellers had received unsecured loan of Rs. 20,00,055/- from M/s Goodshine Vyapaar Pvt Ltd., which is a Paper/Shell company o Mukesh Banka Group during the F.Y 2012-13 relevant A.Y 2013-14. M/s Goodshine Vyapaar Pvt Ltd., 23B, N S Road , Kolkata 700001 is a Paper/Shell company o Mukesh Banka which was found to be non-existent as per enquiry made by Inspector of Income Tax and working for the purpose of providing accommodation entries in the nature of bogus unsecured loans.

As M/s. Goodshine Vyapaar Pvt. Ltd, is a paper/shell company which was found to be non-existent and working for the purpose of providing accommodation entries in the nature of bogus unsecured loans, the documents provided by the assessee- firm during the assessment proceedings is not genuine.

In view of the above, I have reason to believe that income chargeable to tax has escaped assessment within the meaning of section 147 for the reason for failure on the part of the assessee to disclose fully and truly all material facts necessary for his assessment for that assessment year. The total quantum income escaped is prima facie calculated at Rs.20,00,000/-“

4. After that the reassessment order was passed on 29.09.2021 by making addition of Rs. 20,40,000 that is unsecured loan and commission for obtaining such loan from M/s Goodshine Vyapaar Pvt. Ltd. Before completing the reassessment proceedings, AO has passed an order u/s 254 22.06.2021 giving effect to the order of ITAT in ITA NO 153/CTK/2018 dated 1.10.2019 and the income of the assessee was finally assessed as Rs. 34,710/- i.e. the income declared by the assessee in its return of income. It

is also a fact on record that no separate order was passed in compliance to the directions given by the Tribunal in respect of verification the unsecured loans of Rs. 26,00,000/- and interest paid thereon.

5. Thereafter the Pr. CIT in terms of notice dated 11.05.2022 has initiated proceedings u/s 263 and vide the impugned order dated 30.03.2024 has given direction for revision of order dated 29.09.2021 so as to examine the issue of unsecured loan and interest there on which was set aside by the Tribunal vide its order dated 1.10.2019 by holding that the while passing the reassessment order, this issue was neither examined nor discussed in the said order thus the said order is erroneous as well as prejudicial to the interest of revenue. Against this order of the Id. PCIT u/s 263 of the Act, the assessee is in appeal before the Tribunal.

6. At the time of hearing, Ld. AR submits that in this case the assessment was already completed u/s 143(3) of the Act wherein additions on account of unsecured loans were made which includes the loan taken from M/s Goodshine Vyapaar Pvt. Ltd, Kolkata and the said addition was ultimately deleted by the ITAT after verification of the facts and the document filed by the assessee before the lower authorities. From the perusal of reason recorded, it is very much evident that the case of the assessee was reopened solely for examination of the loan taken from M/s Goodshine Vyapaar Pvt. Ltd by alleging that the said company is a Shell company. While alleging so, the Assessing officer solely relied upon the

report of the investigation wing, Kolkata prepared in the case of Shri Mukesh Banka group. Since the issue of unsecured loan from M/s Goodshine Vyapaar Pvt. Ltd. was examined at length during the course of assessment proceeding completed u/s 143(3), thus initiating the reassessment proceedings by again alleging the said loan as bogus loan is nothing but an attempt to revisit of the settled issue and is mere change of opinion. This was done more particularly when the Tribunal has already deleted the said addition and such order attained finality. For this Id. AR placed reliance on the followings:

1. Kidderpore Holding Ltd. Vs. ITO (2024) 161 taxmann.com 768 (Bombay)
2. Yogeshbhai R Dhanak V. ACIT (2014) 41 taxmann.com 183

7. As per Id. AR, since such reassessment proceedings are invalid thus all the consequent proceedings based on such invalid proceedings are also bad in law. For this proposition he relied upon the decision of this bench of ITAT in the case of Purushottam Dayal Tulshyan v/s ITO in ITA No 50/CTK/2024, copy of the order is placed on record. The Ld. AR further submits that in the order passed u/s 263 of the Act Id. PCIT has directed to examine the issue of loan of Rs. 26,00,000 and Interest paid on such loans though this issue has already been set aside by the Tribunal for reverification to the file of the AO. This order was passed by the ITAT on 01.10.2019 and the effect order u/s 254 was also passed by the AO on dated 22.06.2021 wherein no addition is made on the issue set aside by the

tribunal. Therefore, the revision, if any, could be made against the order of the AO passed u/s 254 of the Act dt. 22.06.2021 and not against the order passed u/s 147 rws 144B of the Act, dt. 29.09.2021. However, the Pr. CIT held the reassessment order dt. 29.09.2021 as erroneous and prejudicial to the interest of revenue, which is incorrect. Ld. AR also submits that no further order was passed by AO in compliance to the directions of the ITAT thus the said proceedings are barred by limitations. He, therefore prayed for cancellation of the order u/s 263 of the act on this score also.

8. Per contra, the Ld. CIT DR submits that the appeal against order u/s 147 of the Act is pending before CIT(A) and though the objections raised by the assessee against the validity of the reasons recorded were dismissed by the AO vide order dated 30.09.2020 however, the same is yet to be examined by the CIT(A). Therefore, the contention of Ld. AR that the proceedings u/s 147 of the Act were invalid cannot be entertained at this stage. He further submits that the order passed u/s 254 of the act dated 22.06.2021 is merely an order giving effect to the order of ITAT. However, no detailed order after making proper verification was made with regard to the issues set aside by the ITAT and therefore such order cannot be treated as the final order. As per Ld. CIT DR the issue of verification of unsecured loan of Rs. 26,00,000 + Interest thereon in terms of the directions of ITAT still remained unverified. Since the proceedings u/s 147 were already initiated thus it was the duty of the AO to examine and verify the unsecured

loans of Rs. 26,00,000/- which was not done in the order passed u/s 147 of the Act. Therefore, Ld. PCIT has rightly held the order passed u/s 147 of the Act was erroneous as well as prejudicial to the interest of the revenue. He accordingly, prayed for the confirmation of the order passed us/ 263 of the Act.

9. We have considered the rival submissions and perused the material available on record. The facts as emerged from the series of events and as discussed hereinabove clearly indicate that in the present case, the ITAT Cuttack Bench vide its order dated 1.10.2019 in ITA No. 153/CTK/2018 has deleted the additions of Rs. 57.00 lacs made on account of unsecured loan taken from three parties (including Rs. 20.00 lacs received from M/s Goodshine Vyapaar Pvt. Ltd.) and set aside the issue of remaining of 26 lacs and interest paid thereon to the file of the Assessing officer for further verification. The relevant observation of the ITAT as contained in said order is extracted as under:

*"20. In this case, we find that the AO treated the loan in question received by the assessee during the year under consideration as unexplained cash credit u/s 68 for the reason that the notice issued u/s 133(6) to the concerned loan creditor was returned back unserved by the postal authority. The assessee had provided the documents as required by the AO during the course of assessment proceedings, which have not been doubted by the authorities below. Merely because notice u/s.133(6) of the Act issued to some of the creditors could not be served or they fail to appear before the Assessing Officer cannot be the basis to treat the loans taken by the assessee from those creditors as non-genuine. On this account, as discussed above, **we are of the opinion the addition made u/s. 68 of the Act in the hands of above three lenders i.e. M/s***

Juhi Vanijia Pvt. Ltd., Apex Accounting Services Pvt. Ltd. and M/s Goodshine Vyapaar Pvt. Ltd. amounting to (Rs.20,00,000 + 17,00,000 + 20,00,000) = Rs. 57,00,000/- is not sustainable and we delete the same.

21. Now, with regard to the eight lenders from whom the assessee has received loan, as noted by the AO in the assessment order, we would like to reproduce the details income disclosed by the following lenders in their respective returns as noted by the AO in its order read as under :-

(i) Indar Chandra Maheswari:

| Asst. Years | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-----------------|----------|----------|----------|----------|----------|
| Basic Exemption | 2,00,000 | 1,80,000 | 1,60,000 | 1,60,000 | 1,50,000 |
| Returned income | 4,04,110 | 2,90,760 | 1,98,070 | 1,79,230 | 1,56,500 |

(ii) Kaushalaya Maheswari :

| Asst. Years | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-----------------|----------|----------|----------|----------|-----------|
| Basic Exemption | 2,00,000 | 1,80,000 | 1,60,000 | 1,60,000 | 1,50,000 |
| Returned income | 3,25,880 | 1,95,600 | 1,99,400 | 1,93,300 | Not filed |

(iii) Priyanka Mundhra :

| Asst. Years | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-----------------|----------|----------|----------|----------|----------|
| Basic Exemption | 2,00,000 | 1,80,000 | 1,60,000 | 1,60,000 | 1,50,000 |
| Returned income | 4,94,900 | 3,28,230 | 2,43,120 | 2,05,970 | 1,82,500 |

(iv) Ranian Kumar Sahu :

| Asst. Years | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-----------------|----------|----------|----------|----------|-----------|
| Basic Exemption | 2,00,000 | 1,80,000 | 1,60,000 | 1,60,000 | 1,50,000 |
| Returned income | 2,86,150 | 1,83,530 | 1,82,720 | 1,70,230 | Not filed |

(v) Shankar Prasad Maheswary

| Asst. Years | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-------------|---------|---------|---------|---------|---------|
| | | | | | |

| | | | | | |
|-----------------|----------|----------|----------|----------|-----------|
| Basic Exemption | 2,00,000 | 1,80,000 | 1,60,000 | 1,60,000 | 1,50,000 |
| Returned income | 3,20,140 | 1,91,910 | 1,73,800 | 1,63,800 | Not filed |

(vi) Gopal Mundra f HUFi :

| Asst. Years | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-----------------|----------|----------|----------|----------|----------|
| Basic Exemption | 2,00,000 | 1,80,000 | 1,60,000 | 1,60,000 | 1,50,000 |
| Returned income | 4,70,670 | 2,81,650 | 1,80,040 | 1,67,790 | 1,63,710 |

(vii) Ramanand Maheswary:

| Asst Years | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-----------------|----------|----------|----------|----------|-----------|
| Basic Exemption | 2,00,000 | 1,80,000 | 1,60,000 | 1,60,000 | 1,50,000 |
| Returned income | 3,82,820 | 2,57,630 | 2,46,400 | 2,49,400 | Not filed |

(viii) Saroj Devi Maheswari , C/o M/s Bhutnath Store, Angul-759122- loan amount of Rs.1,00,000/-. In case of this assessee, there is no previous year's return mentioned by the AO in the assessment order.

From the above, we find that the AO has taken into consideration of earlier years return of the lenders, as noted above, however, on perusal of the assessment order, the AO has asked the assessee to provide cash flow statement of the above lenders, which has not been furnished by the assessee till the first appellate stage. We observe that the lenders have deposited cash into their respective bank accounts before advancing loan to the assessee. **In the interest of justice, we restore the issue only for the limited purpose and direct the AO to verify and examine the cash availability in the hands of the respective lenders from legitimate business sources. The assessee is directed to cooperate with the AO for above examination and verification.** Needless to say that reasonable opportunity of being heard be given to the assessee."

10. Thereafter, the Assessing Officer has passed the order u/s. 254 of the Act dated 22.6.2021 wherein the income was computed at Rs. 34,710/-, which is placed on record.

11. In the meantime, the Assessing Officer, based on information received from Investigation Wing, Kolkata that M/s Goodshine Vyapaar Pvt. Ltd from whom loan of Rs. 20 lakhs was received is a shell company, has initiated reassessment proceedings u/s 147 of the Act. At this stage, it is relevant to state that when the issue of unsecured loans of Rs. 20 lakhs received from M/s Goodshine Vyapaar Pvt. Ltd stood deleted by the tribunal after considering all factual aspects and after holding the said loan as genuine and no further appeal was preferred against the said order thus the action of the AO for re-examine the said loan is nothing but is a mere change of opinion and an attempt to revisit the settled issue. If this action of the revenue is allowed, there would be no end to the litigation. Hon'ble Supreme Court in the case of **Union of India Vs. Kamlakshi Finance Corporation Ltd.** reported in **(1992) Taxmann.com 16** has held that the *"principal of judicial discipline requires that the orders of the higher appellate authorities should be followed unreservedly by the subordinate authorities and the order is the subject matter of an appeal can furnish no ground for not following it unless its operation has been suspended by a competent court."*

12. In the instant case admittedly the order of the ITAT is not challenged therefore, the order of ITAT is certainly binding on the revenue. Moreover, the order of the tribunal was passed on 1.10.2019 and the AO while disposing the objection raised by the assessee against the reopening of the assessment dt. 30.09.2020, as available in paper book pages 62 to 66, observed that the information was received from the office of DDIT, Investigation Unit-1(3) Kolkata on 23rd March 2019. Thus this information was very much available with the revenue when the case was argued before the ITAT. Therefore, it is not fresh information brought on record after the order of the Tribunal and cannot be held as fresh evidence for initiating the proceedings u/s. 147 of the Act. The Hon'ble Gujarat High Court in the case of Yogeshbhai R Dhanak V. Assistant Commissioner of Income tax (2014) 41 taxmann.com 183 on similar facts has held as under:

"Section 147, read with section 158BC of the Income tax Act, 1961- income escaping assessment-Non disclosure of primary facts (Matter relating to block assessment)- Assessment Year 1999-2000-Whether reopening of assessment in relation to a matter which is subject matter of block assessment is evidently without jurisdiction-Held, yes -In course of block assessment, Assessing Officer made certain addition in respect of undisclosed investment made in gold ornaments -In appellate proceedings, Commissioner (Appeals) accepted assessee's explanation that said ornaments were received from customers for remaking -Accordingly, addition made by AO was deleted -Tribunal upheld order of Commissioner (Appeals)- For relevant year, Assessing officer sought to initiate reassessment proceedings in respect of aforesaid addition -Whether since issue relating to investment in gold ornaments had been treated as subject matter of block assessment and examined on merits by appellate authorities,

reopening of assessment under section 147 on very same ground was without jurisdiction –Held, year –Whether, therefore impugned reassessment proceedings deserved to be quashed-Held, yes(para 15) in favour of the assessee.”

13. Similar issue was also considered by the Hon’ble Bombay High Court in the case of Kidderpore Holdings Ltd. Vs. Income Tax Officer (2024) 161 taxmann.com 768 (Bombay) wherein the Hon’ble High Court has held as under:

"Where AO issued reopening notice on ground that issues involved in relevant assessment year were also subject matter for other assessment years which were still pending before Tribunal and as case was getting time barred, assessment was to be reopened to safeguard interest of revenue, since Tribunal had decided issue in other assessment years against revenue, entire basis for reopening had collapsed and, thus, reassessment notice was to be quashed."

14. In view of the facts as enumerated above and after considering the judgment of Hon’ble Supreme court and Hon’ble High Courts referred (supra), we are of the considered view that the notice u/s.148 of the Act on the issue which has already been discussed and deleted by the Tribunal is mere change of opinion and bad in law and, therefore, the notice issued u/s.148 of the Act is hereby quashed.

15. Once it is held that proceedings u/s.147 of the Act and consequent reassessment order is invalid, all such consequent orders passed based on such invalid initiation of reassessment proceedings are also void abinitio.

16. In the case of Purushottam Dayal Tulshyan (supra) similar issue had come up for the consideration before the ITAT, Cuttack Bench wherein it is held as under:

"7. Once it is held that the reassessment order is invalid, any consequent proceedings passed on such invalid order are also void ab initio. The coordinate bench of the Tribunal in the case of SS Brahma Education Trust, passed in ITA No.107/CTK/2024, order dated 05.06.2024, under identical circumstances, where the assessment order was invalid, it was held that the consequent proceedings u/s.263 of the ITA No.50/CTK/2024 7 Act also does not survive. The relevant observations of the Tribunal made are as under:-

15. Since the order passed u/s.144 r.w.s.144B of the Act is an invalid order, any further proceedings originated from the said order cannot be held as valid proceedings which includes the revisionary proceedings initiated by the Id. Pr.CIT, Sambalpur u/s.263 of the Act. In this regard, we find support from the observations made by the ITAT Mumbai Bench of the Tribunal in the case of Westlife Development Ltd. (supra), in para 10.1 to 11, which reads as under :-

10.1. We have discussed in detail in earlier part of our order that an invalid order cannot give birth to legally valid proceedings. It is further noticed by us that some of the judgments relied upon by the learned counsel have already addressed this issue. This issue has also been decided by the co-ordinate bench (Delhi Bench of Tribunal) in the case of Krishna Kumar Saraf vs. CIT (supra). The relevant part of the order is reproduced below :

"17. There is no quarrel with the proposition advanced by learned Departmental Representative that the proceedings under s. 263 are for the benefit of revenue and not for assessee.

18. However, under s. 263 the learned Commissioner cannot revise a non est order in the eye of law. Since the assessment order was

passed in pursuance to the notice under s. 143(2), which was beyond time, therefore, the assessment order passed in pursuance to the barred notice had no legs to stand as the same was non est in the eyes of law. All proceedings subsequent to the said notice are of no consequence. Further, the decision of Hon'ble Madras High Court in the case of CIT vs. Gitsons Engineering Co. 370 ITR 87 (Mad) clearly holds that the objection in relation to non service of notice could be raised for the first time before the Tribunal as the same was legal, which went to the root of the matter.

19. While exercising powers under s. 263 learned Commissioner cannot revise an assessment order which is non est in the eye of law because it would prejudice the right of assessee which has accrued in favour of assessee on account of its income being determined. If learned CIT revises such an assessment order, then it would imply extending/granting fresh limitation for passing fresh assessment order. It is settled law that by the act ion of the authorities the limitation cannot be extended, because the provisions of limitation are provided in the same.

20. In view of above discussion, ground No. 3 is allowed and revision order passed under s. 263 is quashed."

10.2. It is further noticed by us that similar view has been taken by Chandigarh Bench of the Tribunal in the case of Steel Strips Ltd. (supra).

11. Thus, after taking into account all the facts and circumstances of the case, we find that in this case, the original assessment order passed under s. 143(3) dt 24th Oct., 2013 was null & void in the eyes of law as the same was passed upon a non-existing entity and, therefore, the learned CIT could not have assumed jurisdiction under the law to make revision of a non est order and, therefore, the impugned order passed under s. 263 by the learned CIT is also nullity in the eyes of law and therefore the same is hereby quashed.

16. After considering the facts and also looking to our observation made herein above, that the order passed u/s.147 r.w.s144B of the Act is invalid and also following the decisions of the coordinate benches of the Tribunal in the cases cited supra, we are of the view that the legality of order passed u/s.143(3) of the Act can be taken up in the appellate proceedings challenging the order u/s.263 of the Act. Under these circumstances, the present proceedings which were emerged out of the order passed u/s.147 of the Act which is already held as invalid, is without jurisdiction and is hereby quashed. Thus, grounds Nos.1 & 2 taken by the assessee on legal issue are allowed.

8. As in the present case also, the reassessment order dated 28.03.2022 is barred by limitation, consequent proceedings u/s.263 of the Act are also invalid in view of the judgments cited supra, accordingly, we are of the view that the impugned order passed by the Id. Pr.CIT, Sambalpur, dated 28.12.2023 u/s.263 of the Act has no legs to stand and, therefore, is hereby quashed."

17. As we have already held the proceeding s/s.147 of the Act in the present case are invalid thus all the consequent proceeding i.e. completion of the order u/s.147 r.w.s 144 of the Act as well as the impugned order u/s 263 is also *void ab initio* and accordingly, we set aside the order passed u/s.263 of the Act.

18. It is further observed that Id Pr.CIT has failed to appreciate the fact that there were two independent proceedings pending in this case. First is in relation to the compliance of the direction given by the Tribunal vide its order dated 1.10.2019 in original assessment proceedings and second was in relation to the reassessment proceedings initiated vide notice u/s.148 of the Act dt.5.3.2020. The error of not making verification as per directions of the Tribunal emanates from the order passed by the AO u/s.254 of the Act,

giving effect to the order of the Tribunal. Even if the argument of the Id. CIT DR is accepted that order dated 22.6.2021 is simply an interim order and no final order was passed after making proper verification in terms of the direction of the ITAT, in such event no order could be passed as on date as the proceedings stood barred by limitations. It is an admitted fact that no further order was passed and only order passed thereafter is the reassessment order dt. 29.09.2021 which cannot be said to be an order passed in compliance to the directions given by the Tribunal in ITA No. 153/CTK/2018 in first round of proceedings. It appears that the present order passed u/s 263 by Id. PCIT is an attempt to cover up the deficiency of not passing any speaking order in compliance to the direction given by the Tribunal. We are in full agreement with the Id.AR that the order which could be held as erroneous and prejudicial to the interest of revenue is the order passed u/s 254 dt. 22.06.2021 wherein the AO ought to have carried out necessary verification was directed by the Tribunal and not the order passed u/s 147 of the Act wherein para 5, the AO while computing the income, has taken income at Rs. 34,710/- as per order u/s 254 and after that made additions of Rs. 20,40,000/-. In view of these facts, we are of the considered opinion that the order passed u/s 254 dt. 22.06.2021 could only be held as erroneous and prejudicial to the interest of revenue and not the reassessment order dt. 29.09.2021 passed u/s 147 of the Act. Accordingly, the assessee succeeded on this score also.

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

Order dictated and pronounced in the open court on 23/9/2024.

Sd/-
(George Mathan)
JUDICIAL MEMBER

sd/-
(Manish Agarwal)
ACCOUNTANT MEMBER

Cuttack; Dated 23/9/2024

B.K.Parida, SPS (OS)

Copy of the Order forwarded to :

1. The Appellant : M/s. Omm Dhanalaxmi Jewellers, Bazar Chowk, Main Road, Angul-759122
2. The respondent: Pr. CIT, Bhubaneswar-1.
3. DR, ITAT,
4. Guard file.
//True Copy//

By order

Sr.Pvt.Secretary
ITAT, Cuttack

निष्पक्ष मुलाभ
सत्वर न्याय ॥
IMPARTIAL, EASY AND
SPEEDY JUSTICE

