

IN THE INCOME TAX APPELLATE TRIBUNAL, RANCHI BENCH, RANCHI

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

IT(SS)A No. 34 & 35/Ran/2023
(Assessment Years-2010-11 and 2015-16)

A.C.I.T., Central Circle, Dhanbad.	Vs.	Anjanay Rice Mill Pvt. Ltd., NH-2 Bypass, Khudika Chourangee More, P.O. Salanpur, Burdwan, West Bengal-713357. PAN No. AAFCA 8489 B
Appellant/ Revenue		Respondent/ Assessee

ITA No. 168/Ran/2023
(Assessment Year-2009-10)

A.C.I.T., Central Circle, Dhanbad.	Vs.	Anjanay Rice Mill Pvt. Ltd., NH-2 Bypass, Khudika Chourangee More, P.O. Salanpur, Burdwan, West Bengal-713357. PAN No. AAFCA 8489 B
Appellant/ Revenue		Respondent/ Assessee

Assessee represented by	Sri Devesh Poddar, A.R.
Department represented by	Smt. Rinku Singh, CIT-DR
Date of hearing	09/06/2025
Date of pronouncement	09/06/2025

ORDER

PER: BENCH

1. IT(SS)A No. 34/Ran/2023 pertains to the A.Y. 2010-11 and IT(SS)A No. 35/Ran/2023 relates to A.Y. 2015-16 and ITA No. 168/Ran/2023 though a search related assessment for the A.Y. 2009-10 has been marked as ITA in place of IT(SS)A are the appeals filed by the assessee against the orders of the Id. CIT(A), Patna-3, Patna dated 26/05/2023 and 29/05/2023 respectively. As all

the issues in these appeals relate to the common issues, therefore, they are being disposed off by this common order.

2. Smt. Rinku Singh, Id. CIT-DR is represented on behalf of the revenue and Sri Devesh Poddar, Id A.R. is represented on behalf of the assessee. The Id. AR of the assessee submitted that for the A.Y. 2010-11 and 2009-10, the Id. CIT(A) has deleted the additions by relying upon the decision of the Hon'ble Supreme Court in the case of Abhisar Buildwell reported in 459 ITR 212 (SC). It was a submission by the Id. CIT-DR that there was a search on the Jagdamba Group of cases on 03/09/2014. In the course of search, a register containing the names and addresses of share applicants and the amounts introduced by those share applicants in the assessee company had been found. The same was treated as incriminating material and in the course of assessment, the addition had been made bringing to tax, the share application money received alongwith the premium holding the same as undisclosed income of the assessee. It was a submission that a search in the case of one Shri Navin Kumar, CA had brought out the information that the assessee has received bogus share capital. It was a submission that the Id. CIT(A) held that the said register could not be treated as incriminating material and had applied the principles laid down by the Hon'ble Supreme Court in the case of Abhisar Buildwell (supra) to delete the additions. It was a prayer that order of Id. CIT(A) be reversed and the Assessing Officer restored.
3. In regard to IT(SS)A No. 35/Ran/2023, it was a submission that this related to A.Y. 2015-16 wherein there was certain stock which was found to have been unexplained and also certain cash and other details. The Assessing Officer had

made the addition in respect of the said stock and the cash found. It was a submission that the Id. CIT(A) deleted the addition on the basis of reconciliation statement filed by the assessee. It was a submission that the said reconciliation statement specially in regard to the stock was not made available to the Assessing Officer for his rebuttal. It was the prayer that the order of Id. CIT(A) be reversed and that of the Assessing officer restored.

4. In reply, the Id. AR submitted that the seized material which is being relied upon for the A.Y. 2009-10 and 2010-11 is RKM-37 pages 60 to 81. It was a submission that the said document was a register maintained as per the guidelines of ROC and it contained the names of the shareholders and also the amounts invested by the assessee company. It was a submission that all the amounts had been received by cheque and the same were recorded in the books and no discrepancy had been found in the course of search to show that the assessee had brought in any of its own unaccounted funds in the form of share capital. In regard to A.Y. 2015-16, it was a submission that the reconciliation had been filed before the Assessing Officer and the Assessing Officer had not considered the same and a perusal of the order of the Id. CIT(A) clearly shows that the Id. CIT(A) has extracted the submissions of the assessee that has been filed before the Assessing Officer. It was a submission that the order of the Id. CIT(A) is liable to be upheld.
5. We have considered the rival submissions. Coming to the A.Y. 2009-10 and 2010-11, a perusal of the facts in the present case clearly shows that the share register as required to be maintained by the ROC is the document which has been identified as RKM-37. As it is noticed that the said document is a

document prepared as per statutory requirement of the ROC and as it is noticed that the said share application money has been received through the banking channels and it is the form of cheques and the amounts have also been disclosed in the assessee's balance sheet as also the share register, the said RKM-37 cannot be treated as an incriminating material for the purpose of making the addition in respect of the share application money received by the assessee. This being so as it is also noticed that the Id. CIT(A) has considered this fact and has relied upon the decision of the Hon'ble Supreme Court in the case of Abhisar Buildwell (supra) and as the revenue has not been able to dislodge these findings of fact, we are of the view that the order of the Id. CIT(A) for the A.Y. 2009-10 and 2010-11 does not call for any interference and the same stands upheld. Consequently, IT(SS)A No. 34/Ran/2023 and ITA No. 168/Ran/2023 stands dismissed.

6. Coming to the IT(SS)A No. 35/Ran/2023 for the A.Y. 2015-16, a perusal of the order of Id. CIT(A) shows that the Id. CIT(A) has deleted the addition in respect of stock and the cash on the basis of the reconciliation filed by the assessee as also the cash book. These statements were before the Assessing Officer as is evidenced by the letters extracted by the Id. CIT(A) in his order. However, considering the prayer of the Id. CIT-DR and as the Id. CIT-DR specifically mentioned that in the course of search, the assessee had admitted that there were some stock which were not disclosed in its books so as to verify the reconciliation, the issue of the stock is restored to the file of Assessing Officer for readjudication and for verification of the reconciliation. The Id. AR has also accepted to produce the evidences to prove the reconciliation before the

Assessing Officer in respect of the stock. In the circumstances, in respect of IT(SS)A No. 35/Ran/2023 for the A.Y. 2015-16, the deletion of the cash as found in the course of search by the Id. CIT(A) stands upheld and only in respect of stock reconciliation, the issue is restored to the file of Assessing Officer for readjudication after granting the assessee adequate opportunity of being heard. In the result, the appeal of the revenue in IT(SS)A No. 35/Ran/2023 stands partly allowed for statistical purposes as directed above.

7. In the result, the appeals of the revenue being IT(SS)A No. 34/Ran/2023 for the A.Y. 2010-11 and ITA No. 168/Ran/ 2023 for the A.Y. 2009-10 are dismissed and the appeal of revenue being IT(SS)A No. 35/Ran/2023 for the A.Y. 2015-16 is partly allowed for statistical purposes.

Order announced in open court on 09th June, 2025.

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Sd/-
(GEORGE MATHAN)
JUDICIAL MEMBER

Ranchi, Dated: 09/06/2025

**Ranjan*

Copy to:

1. Assessee
2. Revenue
3. CIT
4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Ranchi