

आयकर अपीलीय अधिकरण, राँची न्यायपीठ, राँची
IN THE INCOME TAX APPELLATE TRIBUNAL RANCHI BENCH, RANCHI
BEFORE SHRI GEORGE MATHAN, JM & SHRI RATNESH NANDAN SAHAY, AM
आयकर अपील सं./ITA No.143 & 144/RAN/2024

(निर्धारण वर्ष / Assessment Year :2020-2021 & 2021-2022)

VRC Technology Private Ltd. Plot No.22/4, Room No.5, New Timber Yard Layout, Mysore Road, Bengaluru-26	Vs.	ACIT, Central Circle, Dhanbad
स्थायी लेखा सं./PAN No. : AADCV 5017 G		
(अपीलार्थी /Appellant)	..	(प्रत्यर्थी / Respondent)

निर्धारिती की ओर से /Assessee by	:	None
राजस्व की ओर से /Revenue by	:	None
सुनवाई की तारीख / Date of Hearing	:	07/10/2025
घोषणा की तारीख/Date of Pronouncement	:	07/10/2025

आदेश / ORDER

Per Bench :

These two appeals are filed by the assessee against the separate orders passed by the Id. CIT(A), Patna-3, both dated 27.02.2024 for the assessment years 2020-2021 & 2021-2022.

2. None for the assessee. The Id. CIT-DR also sought adjournment in these cases on the following grounds :-


GOVERNMENT OF INDIA
OFFICE OF THE COMMISSIONER OF INCOME-TAX (APPEALS)-3, PATNA
3rd Floor, Lok Nayak Jai Prakash Bhawan, Fraser Road, PATNA
F.No. CIT(A)-3/Pat/Misc./2025-26/ 474 Dated, 03rd October, 2025

To,

The Hon'ble Members,
ITAT, Ranchi Bench,
Ranchi

Kind atten: The Registrar, ITAT, Ranchi Bench, Ranchi

Sirs,

Sub: Request for adjournment on administrative grounds:

As per order of Pr. Chief Commissioner of Income-Tax (B&J), Patna dated 26.09.2025, I have been directed to perform duty as CIT(DR) from 06.10.2025 to 10.10.2025 on rotational basis. In the following cases appeal orders have been passed by this office. In some cases, appeals of the same assessee's are pending with the undersigned for other assessment years. Hence, these cases cannot be argued by the undersigned. A short adjournment of 10 days may please be granted so that another CIT (DR) may attend to these cases.

Encl: List of cases.

Yours faithfully,


(Rajib Jain)
Commissioner of Income-Tax (Appeal)-3
Patna

3. The number of cases posted during the week is nearly 250, out of the same, on daily basis, nearly in 72 to 75% of the cases, adjournments are being sought. As the Bench was constituted and the same was also intimated much in advance and the adjournment has been sought in the last minute, therefore, the adjournment applications are being rejected.

4. It may also be worthwhile to mention here that another reason given by the Id. CIT-Departmental Representative for adjournment is that in some of the appeals, orders have been passed by the office of the impugned CIT-DR personally. Here, it is to be mentioned that in respect of the orders of the Id. CIT(A), which have been challenged by the revenue, it can be said that it would be difficult for the Id. CIT-Departmental Representative to defend such orders, in so far as he would be arguing against his own orders. But in such cases, where the orders have been passed against the assessee and the assessee is in appeal, we find no reason as to why the Id. CIT-DR would not be able to defend his own orders. In any case orders have been issued against the assessee. When this was put to the Id. CIT-DR, it was a submission that should the Tribunal pass an order reversing the order of Id. CIT(A), he could be questioned under administrative provisions. This does not stand to be a reason, in so far as the appeal provisions have been provided by the statute. It is human to err. If there is no order passed by the Assessing Officer, then obviously post of CIT(A) is required and if there is no order of Id. CIT(A), there is no requirement of the Tribunal so on and so forth. Various stages of appeals are provided so that necessary proceedings are available for both the assessee and the

revenue to defend their stands. Decisions taken by the appellate authority as a judicial or quasi judicial forums, are not subject to administrative reviews. Appeal provisions are provided by the statute. It would also be worthwhile to mention here that repeatedly the courts have been holding that the Id. CIT(A) are quasi judicial authorities and no administrative pressure can be put on them to decide any issues in any specific manner. We are of the view that such apprehension of the Id. CIT-DR is unfounded. Consequently, the submission of the Id. CIT-Departmental Representative was that he is recusing from the arguments. His plea is accepted. The matters are disposed off on merits on the basis of records and documents available before the Tribunal, ex-parte qua the assessee and the revenue.

5. We have perused the assessment order as well as the order of the Id. CIT(A). A perusal of the grounds raised by the assessee before the Tribunal shows that the assessee has raised the legal grounds in both the appeals in regard to the assessment proceedings. The grounds raised in appeal of the assessee for A.Y.2020-2021 reads as follows :-

M/s VRC Technology Pvt. Ltd.

ASSESSMENT YEAR: 2020-21

GROUND OF APPEAL BEFORE HON'BLE ITAT, PATNA

1. For that the assessment order passed by the Ld. A.O. u/s. 153A is bad in law and is liable to be quashed.

2. On the facts and circumstances of the case, the order passed by the learned ACIT, Central Circle, Dhanbad, the Assessing Officer ("the AO") under Section 153A r.w.s 143(3) of the Income Tax Act ("the Act") on 23.06.2022 is against the law, equity, justice and good conscience and also against the facts and circumstances of the case and is also without jurisdiction.

3. *On the facts and circumstances of the case, the learned AO has erred, both on facts and in law in passing the order despite the fact that the search was initiated under the wrong pretext.*

4. *On the facts and circumstances of the case, the order passed by the learned AO under section 153A r.w.s 143(3) is bad and liable to be quashed as the same has been framed consequent to a search which itself was unlawful and invalid in the eyes of law.*

5. *On the facts and circumstances of the case, the learned AO has erred, both on facts and in law in passing the order despite the fact the authorization issued for the search is bad in law as the same has been issued by the person who is not authorized under the Act to issue such authorization.*

6. *On the facts and circumstances of the case, the learned AO has erred, both on facts and in law in passing the order ignoring the fact that notice issued 142(1) of the Act is bad in law as no assessment proceedings were pending on the date on which such notice was issued.*

7. *On the facts and circumstances of the case, the learned AO has erred, both on facts and in law in drawing adverse inference against the appellant on the basis of notice issued under section 142(1) of the Act, which itself was bad in law, as there was no assessment proceeding pending on the date on which such notice was issued.*

8. *On the facts and circumstances of the case, the proceedings initiated under section 153A against the appellant and the assessment framed under section 153A r.w.s 143(3) are in violation of mandatory provisions of Section 153D of the Act and as such the same is bad in eyes of law. The purported approval u/s 153D of the Act is illegal, bad in law and also without any application of mind.*

9. *On the facts and circumstances of the case, the learned AO has erred in passing the assessment order relying upon the material and evidences without providing the copies of same to the appellant and without providing proper and adequate opportunity to the appellant to rebut the same.*

10. *That the Ld. CIT(A) has himself accepted the fact there is ample findings/evidence recorded in the assessment order by the AO which proves that the appellant company is a shell company and not doing any actual business. Therefore the Ld. CIT(A) erred in confirming the addition of alleged commission @1%, despite of the acceptance of the fact that the appellant is not a shell company and no findings/evidences found in the assessment order by the AO*

11. *That the assessee craves leave to add, alter, amend or withdraw any ground or grounds of appeal before or at the time of hearing.*

6. A perusal of the order of the Id. CIT(A) shows that the grounds raised before the Id. CIT(A) have been extracted by him in para 3 of his order. These grounds, admittedly, have not taken before the Id. CIT(A). The assessee has clearly raised new grounds before the Tribunal without having the same raised before the Id. CIT(A). The assessee has also not filed the requisite memo for filing the additional grounds. This being so, admittedly, the grounds raised by the assessee being legal grounds and considering the principle of natural justice, the issues in both the appeals are restored to the file of the Id. CIT(A) for readjudication on the legal grounds which have now been raised before the Tribunal. Consequently, both appeals of the assessee are partly allowed for statistical purposes.

7. In the result, both appeals of the assessee are partly allowed for statistical purposes.

Order dictated and pronounced in the open court on 07/10/2025.

Sd/-

(RATNESH NANDAN SAHAY)

लेखा सदस्य / ACCOUNTANT MEMBER

Sd/-

(GEORGE MATHAN)

न्यायिक सदस्य / JUDICIAL MEMBER

राँची Ranchi; दिनांक Dated 07/10/2025

Prakash Kumar Mishra, Sr.P.S.

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant- .
2. प्रत्यर्थी / The Respondent-
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, राँची / DR, ITAT, Ranchi
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/ BY ORDER,

(Senior Private Secretary)

आयकर अपीलीय अधिकरण, राँची / ITAT, Ranchi