

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "SMC", PUNE

BEFORE SHRI MANISH BORAD, ACCOUNTANT MEMBER
AND
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1550/PUN/2025
निर्धारण वर्ष / Assessment Year : 2010-11

Hello Textiles, At Navapur, Taluka Navapur, Dist. Nandurbar- 425418 PAN : AAGFH1028P	Vs.	ITO, Ward-4, Dhule.
Appellant		Respondent

Assessee by : Shri Sandeep Rathi
Revenue by : Shri Harshit Bari

Date of hearing : 19.08.2025
Date of pronouncement : 31.10.2025

आदेश / ORDER

PER VINAY BHAMORE, JM:

This appeal filed by the assessee is directed against the order dated 30.04.2025 passed by Ld. CIT(A)/NFAC for the assessment year 2010-11.

2. Facts of the case, in brief, are that the assessee is a partnership firm and has not furnished its original return of income for the period under consideration. On the basis of information received on 28.03.2017 from the Dy. Director of Income Tax (Inv.),

Ahmedabad, the case of the assessee was reopened u/s 147 of the Act and notice u/s 148 and subsequently notice u/s 142(1) were issued to the assessee. According to Investigation Wing, Ahmedabad, six parties were involved in unauthorised activities of entry operator, entry provider and converting unaccounted income through banking channels without paying taxes. These concerns were only dummy concern whose bank accounts were operated with the intention to provide accommodation entries only. The bank accounts of above concern were opened in CG Road Branch of HSBC Bank/HDFC Bank Ahmedabad & the addresses shown in ITR and furnished to bank are either wrong or not traceable. As per Investigation Wing, the assessee has transferred Rs.16,90,000/- to one of the said concern namely Silver Shine Export. The Assessing Officer asked the assessee to furnish details of nature of transaction entered into with Silver Shine Exports and copy of Ledger Account of Silver Shine Export. The assessee denied to have any transactions with silver shine export and also denied to have transferred any amount to Silver Shine Export. The Assessing Officer collected information from HSBC Bank, Ahmedabad wherein it was informed that Silver Shine Export, Ahmedabad

received an amount of Rs.16,90,000/- in his bank account from one Hello Textiles. However, the assessee denied to have any business connection with Silver Shine Exports and also denied to have transferred any amount to the above concern. The Assessing Officer completed the assessment u/s 143(3) r.w.s. 147 of the Act and determined total income of the assessee partnership firm at Rs.16,90,000/-. The above assessed income includes an addition of Rs.16,90,000/- as unexplained investment u/s 69 of the Act.

3. Being aggrieved with the above assessment order, the assessee preferred an appeal before Ld. CIT(A)/NFAC. After considering the reply, Ld. CIT(A)/NFAC dismissed the appeal filed by the assessee and confirmed the addition made by the Assessing Officer.

4. It is the above order against which the assessee is in appeal before this Tribunal.

5. Ld. AR appearing from side of the assessee submitted before us that the order passed by Ld. CIT(A)/NFAC is unjustified. Ld. AR submitted before the bench that the assessee partnership firm came into existence on 31.03.2007 and its PAN was generated on 23.03.2011. Ld. AR also submitted that during the period under consideration the assessee partnership firm has not started its

business operations and no transactions were carried out by the assessee either in cash or through bank. As per the cash book and balance sheet, an amount of Rs.57,680/- was the opening balance as on 1st April, 2009 & the same was the closing balance as on 31-03-2010, which pertains to capital contribution by the partners. Ld. AR also submitted that the assessee has furnished an affidavit before the Assessing Officer, wherein it was stated that the assessee partnership firm do not know the entity known as Silver Shine Exports and has not transferred any amount to the above entity. Ld. AR also submitted that the remitter name Hello Textiles matches with that of the assessee, however the address does not matches with that of the assessee. It was clarified by Ld. AR that the address of the assessee partnership firm is Navapur, Tahsil Navapur, Distt. Nandurbar, Maharashtra whereas the address of the Remitter entity is 107, 1st Floor, Jalwant Township, Puna Surat Gujrat, therefore it was claimed to be a different person other than the assessee. Alternatively, without prejudice to above Ld. AR also submitted that the impugned transaction reported by HSBC Bank Ahmedabad was transacted on 23.03.2009 which falls in assessment year 2009-10 and therefore the Assessing Officer was not justified in

making the addition in assessment year 2010-11. Ld. AR submitted that the assessee raised ground No.4 before Ld. CIT(A)/NFAC wherein it was specifically challenged that the transaction reported by HSBC Bank, Ahmedabad was dated 23.03.2009 and therefore pertains to assessment year 2009-10 and therefore the addition made in assessment year 2010-11 is not justified. Ld. AR further submitted that Ld. CIT(A)/NFAC without deciding the above ground dismissed the appeal filed by the assessee. In support of the above contention, Ld. AR produced copy of letter forwarded by HSBC Bank and also produced details of transactions provided by HSBC Bank wherein all the details including date of transaction was also mentioned which is 23.03.2009. In this regard Ld. AR drew our attention to page no.68 of the paper-book. Accordingly, Ld. AR requested before the bench to delete the addition of Rs.16,90,000/- made by the Assessing Officer and confirmed by Ld. CIT(A)/NFAC.

6. Ld. DR appearing from side of Revenue relied on the orders passed by the subordinate authorities and requested to confirm the same. However, could not give any explanation with regard to the addition made in assessment year 2010-11 instead of assessment

year 2009-10 since the date of impugned transaction was 23.03.2009 which apparently falls in assessment year 2009-10.

7. We have heard Ld. counsels from both the sides and perused the material available on record including the paper book furnished by the assessee. In this regard, we find that the case of the assessee was reopened u/s 147/148 of the Act and an addition of Rs.16,90,000/- as unexplained money u/s 69 was made in the hands of assessee partnership firm on the basis of alleged transfer of amount in the HSBC Bank account of Silver Shine Exports, Ahmedabad. In this regard, we find that HSBC Bank, Ahmedabad supplied details of transactions entered into by and between the entity similarly named as the assessee partnership firm and Silver Shine Exports, which admittedly took place on 23.03.2009. However the PAN of the remitter was not informed by HSBC Bank. According to HSBC Bank, an amount of Rs.16,90,000/- was received by Silver Shine Export on 23.03.2009 and the name and address of Remitter was also informed which is Hello Textiles, 107, 1st Floor, Jalwant Township Puna. In this regard, it was the contention of Ld. counsel of the assessee that the name of Remitter matches with the assessee partnership firm however the address

does not matches with that of the assessee. According to Ld. AR the address of the assessee partnership firm is Navapur, Distt. Nandurbar, Maharashtra whereas the address of the Remitter is 107, 1st Floor, Jalwant Township, Puna which is in district Surat Gujrat. Accordingly, it was the contention of Ld. AR that the Remitter is somebody else and not the assessee partnership firm. Alternatively, it was also contended that the transaction reported by HSBC Bank, Ahmedabad took place on 23.03.2009 which relates to assessment year 2009-10 and therefore the Assessing Officer committed grave error in making the addition in assessment year 2010-11. In this regard, we perused the information/details provided by HSBC Bank, Ahmedabad which is available on page no.68 of the paper-book furnished by the assessee and found that the impugned transaction on the basis of which proceedings u/s 147/148 were initiated, pertains to assessment year 2009-10 since the date of transaction as reported by HSBC Bank, Ahmedabad is 23.03.2009. Accordingly, without going into merits of the case, we find some force in the alternative arguments of Ld. counsel of the assessee that the impugned transaction pertains to assessment year 2009-10 and not to assessment year 2010-11.

8. Considering the totality of the facts of the case and in view of our above discussion, we deem it appropriate to set-aside the order passed by Ld. CIT(A)/NFAC and direct the Assessing Officer to delete the addition of Rs.16,90,000/- made in assessment year 2010-11 since it pertains to assessment year 2009-10. Thus, the grounds of appeal raised by the assessee are allowed.

9. In the result, the appeal filed by the assessee is allowed.

Order pronounced on this 31st day of October, 2025.

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 31st October, 2025.

Sujeet

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "SMC" बेंच, पुणे / DR, ITAT, "SMC" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.