

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'E', NEW DELHI**

**Before Sh. Satbeer Singh Godara, Judicial Member
&
Sh. Naveen Chandra, Accountant Member**

ITA No. 1061/Del/2025 : Asstt. Year : 2018-19

ITA No. 1062/Del/2025 : Asstt. Year : 2019-20

ITA No. 1063/Del/2025 : Asstt. Year : 2021-22

ITA No. 1064/Del/2025 : Asstt. Year : 2022-23

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| Sh. Ram Ready Mix Concrete Pvt. Ltd. B-177, Derawal Nagar, Delhi-110009 | Vs | DCIT, Central Circle-30, New Delhi-110055 |
| (APPELLANT) | | (RESPONDENT) |
| PAN No. AAPCS51886F | | |

ITA No. 1065/Del/2025 : Asstt. Year : 2018-19

ITA No. 1066/Del/2025 : Asstt. Year : 2019-20

ITA No. 1067/Del/2025 : Asstt. Year : 2021-22

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| Kamdhenu Cement, B-229, 1 st Floor, Phase-1, Ashok Vihar H.O., Ashok Vihar, North West Delhi, Delhi-110052 | Vs | DCIT, Central Circle-30, New Delhi-110055 |
| (APPELLANT) | | (RESPONDENT) |
| PAN No. AAOFK8997J | | |

**Assessee by : Sh. Ajay Wadhwa, Adv.,
Sh. Anil Kumar Chopra, CA,
Sh. Shivam Garg, Adv.
Revenue by : Ms. Amisha S. Gupta, CIT-DR**

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| Date of Hearing: 12.01.2026 | Date of Pronouncement: 12.01.2026 |
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ORDER

Per Bench:

The instant batch of seven appeals involves the twin assessee herein M/s Sh. Ram Ready Mix Concrete Pvt. Ltd. and Kamdhenu Cement. All other relevant details thereof stand tabulated as under:

| Sl. No. | ITA Nos. | A.Y. | Appellant | Respondent | Order passed against | Proceedings u/s |
|---------|---------------|---------|--------------------------------------|------------|---|--------------------|
| 1. | 1061/Del/2025 | 2018-19 | Sh. Ram Ready Mix Concrete Pvt. Ltd. | DCIT | CIT(A)-30, New Delhi, DIN & order No.ITBA/APL/M/250/2024-25 / 1071680671(1) Dated 30.12.2024 | 153C r.w.s. 143(3) |
| 2. | 1062/Del/2025 | 2019-20 | Sh. Ram Ready Mix Concrete Pvt. Ltd. | DCIT | CIT(A)-30, New Delhi, DIN & order No.ITBA/APL/M/250/2024-25 / 10716850883(1) Dated 30.12.2024 | 153C r.w.s. 143(3) |
| 3. | 1063/Del/2025 | 2020-21 | Sh. Ram Ready Mix Concrete Pvt. Ltd. | DCIT | CIT(A)-30, New Delhi, DIN & order No.ITBA/APL/M/250/2024-25 / 1071686755(1) Dated 30.12.2024 | 153C r.w.s. 143(3) |
| 4. | 1064/Del/2025 | 2021-22 | Sh. Ram Ready Mix Concrete Pvt. Ltd. | DCIT | CIT(A)-30, New Delhi, DIN & order No.ITBA/APL/M/250/2024-25 / 1071689750(1) Dated 30.12.2024 | 153C r.w.s. 143(3) |
| 5. | 1065/Del/2025 | 2018-19 | Kamdhenu Cement | DCIT | CIT(A)-30, New Delhi, DIN & order No.ITBA/APL/M/250/2024-25 / 1071679355(1) Dated 30.12.2024 | 153C r.w.s. 143(3) |
| 6. | 1066/Del/2025 | 2019-20 | Kamdhenu Cement | DCIT | CIT(A)-30, New Delhi, DIN & order No.ITBA/APL/M/250/2024-25 / 10716883192(1) Dated 30.12.2024 | 153C r.w.s. 143(3) |
| 7. | 1067/Del/2025 | 2020-21 | Kamdhenu Cement | DCIT | CIT(A)-30, New Delhi, DIN & order No.ITBA/APL/M/250/2024-25 / 1071683439(1) Dated 30.12.2024 | 153C r.w.s. 143(3) |

2. Heard the assesseees as well as the department. Case files perused.

3. We notice at the outset that there arises the first and foremost common/identical issue of validity of all these section 153C assessments itself; framed in furtherance to the department's section 132 search action dated 26.10.2020, carried out in M/s Sanjay Jain and Mehta group of cases. This is

for the precise reason that Mr. Wadhwa has filed before us a copy of the relevant section 153C satisfaction note by the learned Assessing Officer of the searched person reading as under:

Satisfaction Note for initiating proceedings under section 153C read with section 153A of the Income Tax Act, 1961 in the case of M/s. SHRI RAM READY MIX CONCRETE PVT. LTD.

A search u/s 132 of Income Tax Act was conducted on an Entry operator Sanjay Jain along with his facilitators and some of his beneficiaries who were found to be generating cash against bogus billing of cement and other such items on 26.10.2020. Proposal for centralization of the group cases was made vide letter No. PDIT(Inv.-1/Delhi/Centralization/SJAM/2020-21/864 dated 08.03.2021. The Group is centralized with the DCIT Central Circle - 30, New Delhi under the charge of Pr. CIT(Central)-3, New Delhi by the order of Chief Commissioner of Income Tax (Central), circulated vide file no. F.No. CCIT(C)/Del/CD-305/2020-21/1151 dated 18.03.2021.

1. The entire web of transactions mounted through a maze of bank accounts initiated by the receipt of willing beneficiaries and the trail right up to the withdrawal of the cash for the beneficiary is seen. Digital records, whatsapp chats were liberally used by the racketeers for inward communication and quick access. Sharing of a unique ID of pictures bank note serial numbers were utilized by the entry operators and the band of cash handlers and the recipients of the entries to mask the fraudulent transactions.
2. The beneficiaries have been found to have made huge investments in real estate properties in prime cities to the tune of crores of rupees. The personal staff/employees/associates of entry operators had been made dummy directors/partners of these shell entities and all bank accounts were managed and controlled by these entry operators. Statements of such entry operators, their dummy partners/employees, the cash handlers as well as the covered beneficiaries have also been recorded clearly validating the entire modus operandi.
3. Search and seizure operation u/s 132 of the Income Tax Act, 1961 dated 26.10.2020 by Unit-5, Delhi lead to seizure of approx. Rs 62 Crores of cash from the premises of beneficiaries who have benefitted from entry operator.
4. Apart from issuance of bogus billing, Sanjay Jain is also involved in arranging cash against RTGS. These transactions would be different than previously discussed bogus transactions in following ways:-
 - No invoice would be raised by Sanjay Jain against these transactions.
 - There would be no GST ITC received by the beneficiary in such transactions
 - Commission charged by Sanjay Jain on these transactions would be less than what he would charge for with-bill transactions.
 - Sanjay Jain would use his firms who do not get audited
 - Beneficiaries taking this facility would normally take bills from some other entity and bank entries will be provided by Sanjay Jain

- Beneficiaries might use this to clear the outstanding bogus purchases/loans/liabilities by issuing RTGS and receiving cash back
- Such entries in the books of the beneficiaries is carried out through settling the outstanding creditors and debtors across different financials years

Sanjay Jain would not necessarily withdraw cash from his own accounts. He had many sources in the market that used to arrange the same for him, viz, Rajeev Jain, Kumar Pankaj and Deepak Gupta. At times, Sanjay Jain would forward the RTGS entries to Rajeev Jain, Kumar Pankaj, etc. and they will withdraw the money and send it back to Sanjay Jain and Sanjay Jain would forward that cash to the end beneficiary. Before, introduction of TDS on cash withdrawal, Sanjay Jain used to withdraw cash through various benami firms of his associates.

However, since the applicability of TDS of 0.1% u/s 194N, the charges for arranging such cash increased from 30 paise to 100 paise. The difference between billing amount and the bank credit entries is on account of such RTGS to cash entries.

5. During the course of search dated 28.10.2020 on the entry operator, Mr. Sanjay Jain, 2 sets of books of tally were found and seized from the office premise of Sh. Sanjay Jain i.e. 87, First Floor, Dharamvir Mann Marg, Sabzi Market, Hari Nagar Ashram, New Delhi, which were annexurized as Annexure -A31. The set of tally data which contains the receipt and expenditure in cash. This data is compiled as List of beneficiary and named as R-1.

List of beneficiaries who have received benefits out of Rs 1590,94,68,436 in total, as bogus purchases from Sanjay Jain is appended to this report as Annexure-R1, for necessary action/ intimation.

The said list is derived in the following format:-

| Sl | PAN | Name of entity | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Total |
|----|------------|--|-----------|-------------|-------------|-----------|--------------|
| 1 | AAPCS5186F | M/s. SHRI RAM READY MIX CONCRETE PVT LTD | 86,13,105 | 6,16,86,053 | 6,37,90,547 | 23,97,313 | 13,64,87,018 |

The list of all the beneficiaries(including entities in the above list) identified were confronted to Sanjay Jain in his statement dated 25/12/2020 u/s 133(4) of IT Act as well as on statement dated 11/06/2021 u/s 131 of IT act, 1961, in which he agreed to the quantum of entries as discussed.

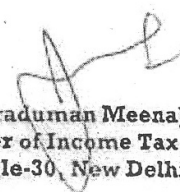
6. **Satisfaction:** The above facts/information states that the assessee M/s. SHRI RAM READY MIX CONCRETE PVT. LTD. is involved in the above transactions of unaccounted receipts and payments with respect to of Rs. 13,64,87,018/-, which

has escaped assessment, which nature and source of fund, genuineness are required to be verified.

7. The above seized documents/material give details of transactions in suspicious nature (as appear) undertaken by the assessee, which are recorded below as satisfaction & seized documents as discussed above at Para 5 of such transactions.

8. Genuineness of these transactions indicating their nature, sources of fund, their treatment in books of accounts and their effect with respect to taxability on the assessee are required to be examined in this case.

9. In view of the above, I have reasons to believe that the assessee may be issued notice u/s 153C of the IT Act 1961.


(Praduman Meena)
Dy. Commissioner of Income Tax,
Central Circle-30, New Delhi

4. Faced with this situation, learned CIT-DR could hardly dispute that the above extracted section 153C satisfaction note does not throw any light as to whether the corresponding seized material belonged, pertained or related to the assessee; as the case may be. She vehemently argues that it is nowhere necessary for the Assessing Officer to explicitly make clear such a proposition in the satisfaction note. We are afraid that such a stand raised by the learned departmental authorities could not be accepted since going contrary to section 153C(1)(a) & (b) of the Act; be it in un-amended on or before 01.06.2015; or thereafter, as the case may. We thus invoke stricter interpretation as per Commissioner Vs. Dilip Kumar (2018) 9 SSC 1 (SC), CIT Vs. RRJ Securities Ltd. (2016) 380

ITR 0612, PCIT vs. Jasjit Singh (2024) 336 CTR 634 (Delhi) and PCIT vs. Ojjus Medicare Pvt. Ltd. (2024) 465 ITR 101 (Del.) to conclude that all these impugned assessment are non-est in the eyes of law since based on an invalid satisfaction of the Assessing Officer of the searched assessee. Quashed accordingly.

5. These twin assessee's seven appeals ITA Nos. 1061 to 1067/Del/2025 are allowed in above terms. A copy of this common order be placed in the respective case files.

Order Pronounced in the Open Court on 12/01/2026.

Sd/-

(Naveen Chandra)
Accountant Member
Dated: 12/01/2026

Sd/-

(Satbeer Singh Godara)
Judicial Member

Subodh Kumar, Sr. PS
Copy forwarded to:
1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR