

आयकर अपीलीय अधिकरण न्यायपीठ रायपुर में।
IN THE INCOME TAX APPELLATE TRIBUNAL,
RAIPUR BENCH, RAIPUR

BEFORE SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER
AND
SHRI AVDHESH KUMAR MISHRA, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA Nos.52, 53, 54, 55 & 339/RPR/2025
निर्धारण वर्ष / Assessment Years : 2015-16, 2016-17, 2017-18 & 2018-19

Shri Shyam Oil Extractions Pvt. Ltd.
Village: Banari, Janjgir,
Janjgir-Champa (C.G.)-495 668
PAN: AAOCS2467G

.....अपीलार्थी / Appellant

बनाम / V/s.

The Income Tax Officer/ACIT-2(1),
Ward-Janjgir-Champa (C.G.)/Bilaspur

.....प्रत्यर्थी / Respondent

Assessee by : Shri R.B Doshi, CA

Revenue by : Shri Yogesh Kumar Sharma, CIT-DR &
Dr. Priyanka Patel, Sr. DR

सुनवाई की तारीख / Date of Hearing : 03.02.2026

घोषणा की तारीख / Date of Pronouncement : 05.02.2026

आदेश / ORDER**PER PARTHA SARATHI CHAUDHURY, JM:**

The captioned appeals preferred by the assessee emanates from the respective orders of the Ld.CIT(Appeals)-3, Raipur dated 28.11.2024, 29.11.2024 and 31.03.2025 for the assessment years 2015-16 to 2018-19 as per the grounds of appeal on record.

2. At the very outset, parties herein conceded that the facts and issues involved in all these appeals are similar in nature. Having heard the submissions of the parties herein, all these matters are heard together and disposed off vide this consolidated order.

3. The Ld. Counsel for the assessee submitted that in **ITA Nos. 52, 53 & 54/RPR/2025, A.Ys. 2015-16, 2016-17 & 2017-18**, an ex-parte order has been passed by the Ld. CIT(Appeals) and the assessee was unable to represent their matters before the first appellate authority due to unavoidable circumstances which has been explained by him through written submission which is extracted as follows:

Name of the assessee : **Shri Shyam Oil Extractions Pvt. Ltd.**
Assessment Year : 2015/16 to 2017/18
Appeal No. : ITA No. 52 to 54/RPR/2025 (Assessee)
Date of hearing : 03.02.2026

Respected Sirs,

1. In the case of assessee, Ld. CIT(A) has decided the appeal ex-parte vide order dt. 28.11.2024 (for AY 2015-16 & 2016-17) & 29.11.2024 (for A.Y. 2017-18). Against order of Ld. CIT(A), the assessee has preferred an appeal before Hon'ble ITAT for above assessment years.

2. Reason for non compliance before Ld. CIT(A):-


During the first appellate proceedings, the case was fixed for hearing on 20.11.2014 vide notice dated 14.11.2014 against which the assessee submitted adjournment application as mentioned in the chart given on page no. 9 (A.Y. 2015-16) & page no. 14 (A.Y. 2016-17 & 2017-18) of the appellate order. Copy of adjournment application filed by assessee is placed at PN 5 of PB of all the years. It was explained before Ld. CIT(A) that the appeal of appellant for AY 2018/19 was also fixed for hearing where there was direction of Hon'ble High Court to complete hearing within prescribed time. The assessee uploaded its reply for A.Y. 2018-19 on 13.11.2024 & 16.11.2024, due to which the preparation of appeals of A.Y. 2015-16 to 2017-18 could not be done. Therefore, the assessee requested Ld. CIT(A) to allow further time of 15 days to submit written submission. Having regard to the reasons stated for adjournment, the assessee was hopeful of getting adjournment.

Ld. CIT(A) did not decide the adjournment application of assessee. Said application of assessee was neither accepted nor rejected and there was no communication with reference to such application of assessee by the Ld. CIT(A) to the assessee.

After having submitted adjournment application, assessee presumed that it would receive some communication from Ld. CIT(A). However, without accepting or rejecting the adjournment application, Ld. CIT(A) passed appellate order *ex-parte*.

3. Therefore, it is most humbly & respectfully requested that the above submission may kindly be considered.

Thanking you.
Yours faithfully,


(R.B. Doshi)

We do not find any deliberate or malafide conduct on the part of the assessee for such non-compliance before the Ld. CIT(Appeals).

4. That admittedly, the assessee has complied with the directives of the Hon'ble Jurisdictional High Court. That even the Revenue authorities have not brought on record any evidence to suggest any deliberate or malafide conduct on the part of the assessee for such non-compliance of the hearing notices which resulted in ex-parte order. That so far as ITA No.52/RPR/2025 is concerned, Para 3 of the order of the Ld. CIT(Appeals) evidences the fact of ex-parte order being passed by the said authority and the same is extracted as follows:

"3. The appeal was fixed for hearing on 22.12.2021, 08.03.2022 in response submit through ITBA to the above notice the appellant had requested adjournment for submission. Hence the adjournment was granted is accorded notice u/s. 250 again issued vide dt. 20.02.2022 and the appeal was fixed for hearing on 07.07.2022. The assessee reply submit through ITBA in response to the above notice the appellant again requested adjournment for submission. Further, again adjournment was granted is accorded notice u/s 250 again issued vide dt. 13.10.2022 and the appeal was fixed for hearing on 04.11.2022. The assessee reply submit through ITBA in response to the above notice the appellant again requested adjournment for submission. Further, again adjournment was granted is accorded notice u/s 250 again issued vide dt. 30.12.2022 and the appeal was fixed for hearing on 12.01.2023. The assessee reply submit through ITBA in response to the above notice the appellant again requested adjournment for submission. Further, again adjournment was granted is accorded notice u/s 250 again issued vide dt. 04.12.2023 and the appeal was fixed for hearing on 20.12.2023. The assessee reply submit through ITBA in response to the above notice the appellant again requested adjournment for submission. Further, again adjournment was granted and final opportunity is accorded notice u/s 250 again issued vide dt. 14.11.2024 and the appeal was fixed for hearing on 20.11.2024. It is quite evident from the chronology of event that despite several opportunities being granted from time to time, there has been absolutely no compliance on part of the appellant to give

detailed explanation regarding ground of appeal taken for A.Y. 2015-16. This clearly shows that the appellant is not keen to pursue the above-mentioned appeal.”

Similarly, in ITA No.53/RPR/2025, Page No. 8 & 9 of the Ld. CIT(Appeals)’s order demonstrates that an ex-parte order has been passed and also, in ITA No. 54/RPR/2025, as per Para 3 of the order, the Ld. CIT(Appeals) has passed an ex-parte order. The same are only being referred to and not being extracted for the sake of brevity.

5. We have already examined that as per submissions raised by the Ld. Counsel for the assessee, such non-compliance was not deliberate on the part of the assessee. Further, no incriminating evidence has been filed by the Ld. Sr. DR against the assessee stating that such non-compliance was deliberate or malafide on the part of the assessee. In this scenario, benefit of doubt has been granted to the assessee on principle of consistency wherein there may be a possibility of prevailing circumstances beyond the control of the assessee and due to which the assessee was not able to comply with the hearing notices before the first appellate authority. In such circumstances position of the revenue shall not be jeopardized if the matter is remanded to the file of the Ld. CIT(Appeals) for denovo adjudication providing one final opportunity to the assessee. In the present case, the assessee is in better footing so far as non-compliance before the Ld. CIT(Appeals) is concerned since they have admitted by making a

statement at Bar through the Ld. Counsel that they were complying with the directives of the Hon'ble Jurisdictional High Court.

6. In these factual spectrum, we refer to the decision of the ITAT, "Division Bench", Raipur in the cases of **Brajesh Singh Bhadoria Vs. Dy./ACIT, Central Circle-2, Naya Raipur, IT(SS)A Nos. 1 to 6, 8 & 9/RPR/2025, dated 20.03.2025**. The relevant paras of the aforesaid decision (supra) are extracted as follows:

"7. We have considered the submissions of the parties herein and analyzed the facts and circumstances involved in all the captioned appeals. After careful perusal of the documents on record, we find that the assessee had assailed the legal ground as aforesaid, however, the fact of the matter is that on perusal of the respective orders of the Ld. CIT(Appeals) for all the years before us, it is also evident from Para 3 that there has been no compliance by the assessee before the said authority and as such, an ex-parte order was passed for the concerned years in appeal. Admittedly, as per record, sufficient opportunities had been provided to the assessee, however, there was no compliance by the assessee. In effect, rights and liabilities of the parties herein are yet to be adjudicated substantially at the level of the first appellate authority. Though in the impugned orders, discussion has been done as per material available on record by the Ld.CIT(Appeals) but they are only Form 35, statement of facts, grounds of appeal and the assessment order. However, due to non-compliance by the assessee, there are no submissions, evidence and documents submitted for adjudication by the assessee before the Ld. CIT(Appeals). That as per Para 3 of the Ld. CIT(Appeals) order, there has been no compliance on the part of the assessee for submitting detailed explanations regarding the grounds of appeal for the years under consideration which clearly shows that the grounds of appeal raised before the first appellate authority has not been substantiated on merits through corroborative evidence /submissions.

8. That in such scenario we are of the considered view that the Income tax Act is within the ambit of welfare legislation which are completely different from that of the penal legislation,

therefore, benefit of doubt whenever arises, it has to be interpreted in favour of the assessee tax payer within the parameters of law and facts. There may be circumstances beyond control of the assessee because of which, the assessee may not have been able to represent his case on the given dates of hearing before the Ld. CIT(Appeals). Though it is correct that there was no compliance from the side of the assessee, however, nothing is there on record which suggests any deliberate non-compliance or malafide conduct of the assessee. That further, if one final opportunity is provided to the assessee to represent his case before the first appellate authority, the position of the revenue will also not be jeopardized.

9. Recently, the **Hon'ble High Court of Bombay** in the case of **Vijay Shrinivasrao Kulkarni Vs. Income-tax Appellate Tribunal (2025) 171 taxmann.com 696 (Bom.), dated 04.02.2025** observed that in the case the Assessing Officer had passed an ex-parte order and when the matter went on appeal before the Ld. CIT(Appeals)/NFAC, it had also dismissed the matter ex-parte due to non-compliance by the assessee's authorized representative, when the matter came up before the ITAT, it had failed to address the infirmity regarding the fact that the assessee was not afforded proper opportunity of being heard and the matter was dismissed ex-parte by the Ld. CIT(Appeals)/NFAC which amounted to violation of principles of natural justice, and instead ITAT decided the case on merits, in such circumstances, the Hon'ble High Court of Bombay held that passing of an order on merits by the ITAT even when the impugned order was passed ex-parte amounts to violation of principles of natural justice and accordingly, the said matter was remanded to ITAT for passing a fresh order in accordance with law after hearing the parties. The legal principle as enshrined in the present judgment is crystal clear that the principles of natural justice i.e. the right to be heard is to be provided and accordingly, the matter had to be substantially adjudicated by the appellate authority. Therefore, if the impugned order of the Ld. CIT(Appeals)/NFAC is an ex-parte order, the only recourse in conformity with the aforesaid judicial pronouncement is to remand the matter back to the file of the Ld. CIT(Appeals)/NFAC for fresh adjudication in terms with the principles of natural justice providing one final opportunity to the assessee.

10. In the aforesaid case, the Hon'ble High Court of Bombay had referred to a judgment of the Hon'ble **Supreme Court** in the case of **Delhi Transport Corporation vs. DTC Mazdoor Union AIR 1999 SC 564**, wherein the Supreme

Court inter-alia held that Article 14 guarantees a right of hearing to a person who is adversely affected by an administrative order. The principle of audi-alteram partem is a part of Article 14 of the Constitution of India. In light of such decision, the petitioner ought to have been granted an opportunity of being heard which, partakes the characteristic of the fundamental right under Article 14 of the Constitution of India.

11. The Hon'ble High Court of Bombay in the aforesaid case had referred to a decision of the Hon'ble **Supreme Court** in the case of **Commissioner of Income Tax Madras v. Chenniyappa Mudiliar 1969 1 SCC 591**, wherein the Supreme Court in interpreting the section 33(4) of the Income Tax Act, 1922 has held that the appellate tribunal was bound to give a proper decision on question of fact as well as law, which can only be done if the appeal is disposed off on merits and not dismissed owing to the absence of the appellant. Reverting to the facts of the present case the grounds of appeal were simply filed before the Ld.CIT(Appeals) they were not substantiated or corroborated through submissions and filing of documentary evidences since the assessee had not complied before the Ld.CIT(Appeals) on the dates of hearing. Therefore, as per framework of the Act there must be adjudication on merits by the first appellate authority and one final opportunity be provided to the assessee to represent his matter on merits in the interest of natural justice.

12. There may even be a situation where the Ld. Counsel for the assessee may assail a legal ground before the Tribunal following the decision of the Hon'ble Supreme Court in the case of **National Thermal Power Company Ltd. Ltd. Vs. CIT (1998) 229 ITR 383 (SC)** with a contention that irrespective of the order of the Ld. CIT(Appeals) being ex-parte, the Tribunal may decide the legal issue that has been raised by the Ld. Counsel. In our view, the decision of the Hon'ble Supreme Court in the case of **National Thermal Power Company Ltd. Ltd. Vs. CIT (supra)** provides that any legal issue which goes to the root of the matter and is established through legal principles, the assessee can take up and raise such legal issue at any appellate forum irrespective of whether the assessee had raised such legal issue at the sub-ordinate level or not, however, it always depends on facts and circumstances of each case whether the Tribunal would decide the legal ground or in a case where the question is of natural justice and ex-parte order by the Ld. CIT(Appeals) the Tribunal would remand it back to Ld.CIT(Appeals) providing final opportunity to a bonafide assessee. The Tribunal as the highest fact finding

authority must be certain enough that the impugned order before it has been passed on merits and is a speaking order where the assessee has also complied during the process of litigation. In case, where the order of the Ld. CIT(Appeals) itself is ex-parte and some legal ground is raised and if the Tribunal decides such legal ground where in fact principles of natural justice is left unanswered due to the fact that the impugned order before the Tribunal is ex-parte and there was no compliance by the assessee in such scenario the Tribunal would also be usurping the power of the Ld. CIT(Appeals) which is also a statutory authority as per the Act. This is due to the reason that as per framework of the Act, Ld.CIT(Appeals) is the first appellate authority where an appeal by assessee it would be substantially decided through a speaking order by the Ld.CIT(Appeals). When this part is over and either party is aggrieved second appeal lies before the ITAT. Now if for every ex-parte order passed by the Ld. CIT(Appeals), of course due to non-compliance by the assessee, if the Tribunal adjudicates a legal ground, for instance validity of assessment or reassessment order and answers it in favour of the assessee then it would create an easy route for assessee getting redressal from Tribunal even without bothering to comply with hearing notices before the Ld. CIT(Appeals). This would dismantle the structure of the Act which is definitely not the intention of the legislature. Here in this situation, where the benefit of doubt is given to the assessee since he had not complied with the hearing notices before the Ld. CIT(Appeals) which resulted in passing of an ex-parte order by the Ld. CIT(Appeals), in such scenario, as per the scheme of the Act and following the principles of natural justice, the only course of action is to remand the matter back to the file of the Ld. CIT(Appeals) for adjudication on merits providing one final opportunity to the assessee.

13. In view thereof, we set aside the respective orders of the Ld. CIT(Appeals) for all the years and remand the same to their file for denovo adjudication on merits. At the same time, we direct the assessee that this being the final opportunity, there must be compliance on merits before the first appellate authority. Needless to say, the Ld. CIT(Appeals) shall provide reasonable opportunity of being heard to the assessee and pass an order in terms of Section 250(4) and (6) of the Act within three months from receipt of this order.”

7. Respectfully following the aforesaid order, we set-aside the respective orders of the Ld. CIT(Appeals) and remand the matters back to his file for denovo adjudication while complying with the principles of natural justice. At the same time, it is directed that this being the final opportunity, the assessee shall duly comply with the hearing notices from the Ld.CIT(Appeals).

8. In the result, appeals filed by the assessee in ITA Nos. 52, 53 & 54/RPR/2025 for A.Ys.2015-16, 2016-17 & 2017-18 are allowed for statistical purposes.

ITA No.339/RPR/2025
A.Y.2016-17

9. We shall now adjudicate the appeal filed by the assessee in ITA No. 339/RPR/2025 for A.Y.2016-17.

10. At the very outset, the Ld. Counsel for the assessee submitted that there has been gross injustice made to the assessee by the Ld. CIT(Appeals) since the said authority had refused to admit the additional evidences which were essential for deciding the merits of the case. He further submitted that on one hand, the Ld. CIT(Appeals) upheld the rejection of books of accounts u/s. 145(3) of the Act and at the same time, refused to admit the claim of additional evidences made by the assessee,

thereby creating massive injustice to the assessee. The relevant observations of the Ld. CIT(Appeals) are culled out as follows:

“During the appeal proceedings, I have carefully verified the facts of the case and find that the assessee produced the Bank Statement, audit report and 52nd annual report of the solvent extractors association. The detailed discussion during the assessment proceedings, it is clearly evident that the books of accounts of the concerns of the assessee group maintained during the year in the tally software program are incomplete and unreliable. The audit carried out by the auditor is not trustworthy. There are several issues with the assessee's accounts already pointed out. They have routed a portion of raw material purchases through related parties and the related parties have provided accommodation entry for the purpose of claiming bogus expenses. Several discrepancies have been pointed out in regular Books of account as well as impounded Books of account. There is clear evidence of falsification of Books of account. Therefore, the correctness and completeness of the Books of account of the assessee are not satisfactory and the assessee's books of accounts are liable to be rejected u/s 145(3) of the I.T.Act, 1961.

In these circumstances, the Bank Statement, audit report and 52nd annual report of the solvent extractors association produced by the assessee during the appeal proceedings could not be treated as true. Hence, in view of the above the contention of the assessee is not to be correct regarding claim of additional evidences u/r 46A. Hence, the claim of the assessee for submission u/r 46A of the Act, 1961 could not be treated as additional evidences at this stage. Thus, the additional evidences on the above grounds are being rejected.”

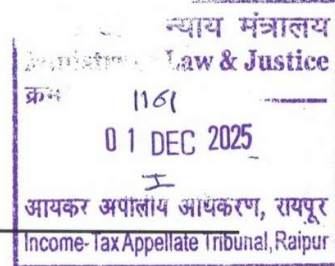
11. In this context further, a prayer has been made by the Ld. Counsel for the assessee that these additional evidences may be admitted by the Tribunal to protect interest of justice and accordingly, the Ld. Counsel has filed an application under Rule 29 of the ITAT Rules, 1963 which is extracted as follows:

Request for admission of additional evidence u/r 29 of ITAT Rules, 1963Name of the assessee : **Shri Shyam Oil Extractions Pvt. Ltd.**

Assessment Year : 2016/17

Appeal No. : ITA no. 339/RPR/2025 (Assessee)

Date of hearing : 02.12.2025



Respected Sirs,

1. In case of appellant, assessment order u/s 147 was passed on 29.03.2022. During first appellate proceedings, certain documents were submitted by assessee before Ld. CIT(A) which are as under :-
 - i) Bank statements of Shyam Global Pvt. Ltd., Shri Mahalaxmi Food Products, Shri Shyam Agro Milling Industries, Shri Shyam Food Products, Shri Balaji Suppliers, placed at **PN 01 to 68**. From these entities, assessee had purchased its raw material i.e. rice bran.
 - ii) Tax audit report of S.K. Solvent (I) Pvt. Ltd. & Surguja Solvent Extraction Pvt. Ltd., placed at **PN 69 to 88**, being two comparable cases for yield.
 - iii) 52nd Annual Report of "The Solvent Extractors Association of India" (2022-23), placed at **PN 89 to 296**, relevant for establishing industry average.

The above documents were filed before Ld. CIT(A) with a request to admit the same as additional evidence. However, vide page no. 28 of appellate order, Ld. CIT(A) rejected/not considered the above additional evidences.

2. **Reason for non submission of documents before AO**

- i) Regarding bank statements of 5 parties, it is submitted that AO issued notice u/s 133(6) to various parties and reply thereto were filed by the respective parties. **AO never informed the appellant during assessment proceedings that bank**

statements were not received from the five parties. On the contrary, vide para no. 11 (page no. 46) of the assessment order, AO has observed that notice u/s 133(6) was issued to the eight related parties and vide para no. 12 (page no. 47) of the assessment order, **AO has observed that all the parties confirmed transaction, furnished ledger account of the transactions and copy of bank statements reflecting payments received.** Hence, there was no reason for the appellant to have found out whether or not bank statements were submitted by the respective suppliers or not.

It was during the course of preparation of appeal reply, when the replies furnished by the respective parties in response to notice u/s 133(6) were perused, it was found that bank statements were not submitted by five parties. This is how the appellant came to know during the appellate proceedings only that the bank statements were not filed and the AO had never informed the appellant.

The appellant felt that these are vital to prove that all payments were made to the respective parties through banking channel. Bank statements of the five parties were therefore obtained by the appellant after completion of assessment. This is how the bank statements could not be submitted before the AO during the assessment proceedings.

- ii) Regarding tax audit report of two comparable cases, **the AO has disallowed entire purchases made by appellant from related parties alleging that bran purchased from them is not genuine.** To meet such allegation, appellant has made a detailed submission in its main submission before CIT(A) that if impugned purchases are considered to be not genuine, the yield of crude oil would come to a figure which does not match with the industry average. It was in this context that the appellant had submitted tax audit report of 2 entities, which are also into the business of oil extraction. **Such reports have been submitted in support of the claim that the yield of crude oil depicted by the records of appellant out of bran is in line with those declared by the comparable cases. Since the appellant could obtain the tax audit reports of the 2 entities only after completion of assessment, these tax audit reports could not be submitted before the AO during the assessment proceedings.**
- iii) The **52nd annual report of The Solvent Extractors Association of India published** the data of yield of rice bran oil obtained by different registered oil extraction plants all over the country which discloses that during FY 2015-16, the average yield across the country as per this report was 15.50% which **demonstrates that the yield shown by appellant is far better than the country average.** It was in this context that the above referred data published by the all India Association of oil extractors was relied upon. **Since the appellant could obtain copy of the**

annual report only after completion of assessment, this could not be submitted before the AO during the assessment proceedings.

The reason for non submission of documents before AO was also explained in detail before Ld. CIT(A), which is verifiable from letter dt. 09.12.2024 filed before Ld. CIT(A), copy of such letter is enclosed (PN 297 to 299). The additional evidences therefore, could not be filed before the AO for reasonable cause, which was beyond control of appellatant.

3. Your honours would kindly appreciate that there was a reasonable cause for non-submission of above documents before AO and that the same is being submitted as additional evidence. The appellatant places reliance on decision of **Hon'ble Chhattisgarh High Court in the case of Manoj Kumar Jain vs ITO in TAXC no. 61 of 2025 vide order dt. 07.04.2025**. Vide para no. 15, Hon'ble High Court held that the ITAT has committed grave legal error in rejecting the application without considering the fact as to whether the documents filed by the assessee are required for just and proper disposal of the appeal in light of Rule 29 of the ITAT Rules. In the case before Hon'ble High Court, additional evidences were not filed before Ld. CIT(A) but in case of appellatant, the evidences were filed before Ld. CIT(A). Therefore, the decision of Hon'ble High Court will apply in case of appellatant strongly.
4. Therefore, it is most humbly & respectfully submitted that the additional evidences may kindly be admitted u/r 29 of ITAT Rules, 1963, per need of justice.

Thanking you.

Yours faithfully,

For, Shri Shyam Oil Extractions Pvt. Ltd



(Director)

Encl. : As stated

CC to: Ld. CIT- Departmental Representative
ITAT Raipur Bench, Raipur
For, Shri Shyam Oil Extractions Pvt. Ltd



(Director)

Encl. : As stated

12. Further, we find that the Hon'ble High Court of Chhattisgarh in the case of **Manoj Kumar Jain Vs. ITO, TAXC No.61 of 2025, order dated**

07.04.2025 has held that the ITAT has committed grave legal error in rejecting the application without considering the fact as to whether the documents filed by the assessee are required for just and proper disposal of the appeal in light of Rule 29 of the ITAT Rules. In the said referred judgment, additional evidences were filed for admission before the Tribunal whereas, in the case of the assessee additional evidences were filed before the Ld. CIT(Appeals) which he had rejected.

13. We have also gone through the reasons recorded in the petition filed by the Ld. Counsel for the assessee as to why these evidences have been filed as additional evidences for the first time before the Ld. CIT(Appeals) and we do not find any malafide conduct on the part of the assessee. At the same time, the Ld. CIT-DR has not brought on record any evidence/document opposing the plea of the assessee and rather, fairly conceded that in the greater interest of justice, the matter needs to be revisited by the first appellate authority considering all these additional evidences filed on record in compliance to Rule 46A(3) of the IT Rules, 1962.

14. Having heard the submissions of the parties herein, considering the documents on record and as per directives of the Hon'ble Jurisdictional High Court, we are of the view that **firstly**, any quasi-judicial authority shall have to consider all the documents on record before arriving at a

conclusion so that there is clear reasoning in the order itself which reveals that the said authority has arrived at a such conclusion. **Secondly**, Rule 46A(3) of the IT Rules, 1962 shall be complied with so that ground report can be obtained from the A.O regarding all those additional evidences which were filed by the assessee. **Thirdly**, no prejudice is caused to the revenue if the matter is remanded to the file of the Ld. CIT(Appeals) for complying with Rule 46A(3) of the IT Rules, 1962 regarding the said additional evidences. In view thereof, we set-aside the order of the Ld. CIT(Appeals) and remand the matter back to his file while admitting the additional evidences in terms with Rule 46A(3) of the IT Rules, 1962 and having admitted the said additional evidences, we direct the Ld. CIT(Appeals) to adjudicate the matter denovo while complying with the principles of natural justice. The Ld. CIT(Appeals) shall in compliance to Rule 46A(3) of the IT Rules, 1962 call for a remand report from the A.O and pass a speaking order considering all the additional evidences/documents filed by the assessee on record in terms with Section 250(4) & (6) of the Act.

15. In the result, appeal of the assessee in ITA No.339/RPR/2025 for A.Y. 2016-17 is allowed for statistical purposes.

ITA No.55/RPR/2025
A.Y. 2018-19

16. We shall now adjudicate the appeal filed by the assessee in ITA No. 55/RPR/2025 for A.Y.2018-19.

17. In this case also, the Ld. Counsel for the assessee submitted that additional evidences which were filed by the assessee before the Ld. CIT (Appeals) was not admitted. The Ld.CIT(Appeals) had rejected the additional evidences observing as follows:

“During the assessment proceedings, the assessee again failed in submitting any supporting documents related to purchases parities for the above months. The assessing officer observed that the assessee did not have any purchase bill for the above months. During the appeal proceedings, I have carefully verified the facts of the case and find that the assessee produced the bills and voucher of purchases made during the month February and March-2018. I have perused the assessment order and also to findings of survey team that the assessee did not have any supporting documents related to purchases for the above months. It is clear that the assessee created bogus bill regarding purchase for the above months in due course between assessment proceedings and appeal proceedings. In these circumstances the bills produced by the assessee during the appeal proceedings could not be treated as true. Hence, in view of the above the contention of the assessee is not to be correct regarding claim of additional evidences u/r.46A. Hence, the claim of the assessee for submission u/r 46A of the Act, 1961 could not be treated as additional evidences at this stage. Thus, the additional evidences on the above ground is being rejected.”

18. That also, the Ld. CIT(Appeals) had upheld the rejection of books of accounts u/s. 145(3) of the Act and at the same time, rejected the admission of additional evidences filed by the assessee.

19. In this regard, the Ld. Counsel for the assessee had filed an application under Rule 29 of the ITAT Rules, 1963 which reads as follows:

Request for admission of additional evidence u/r 29 of ITAT Rules, 1963

Name of the assessee : **Shri Shyam Oil Extractions Pvt. Ltd.**
Assessment Year : 2018/19
Appeal No. : ITA no. 55/RPR/2025 (Assessee)
Date : 02.12.2025

Respected Sirs,

1. In case of appellant, assessment order u/s 147 was passed on 28.03.2023. During first appellate proceedings, certain documents were submitted by assessee before Ld. CIT(A) which are as under :-
 - i) Copy of the print taken from website of the transport department for Vehicle no. CG 11 AH 9908, **placed at PN 01**, which substantiates that the vehicle was goods transport vehicle.
 - ii) Month-wise purchase details of bran from related and unrelated parties, **placed at PN 02**, which shows that there is not much variation between the purchase price from the related and unrelated parties.
 - iii) Details of purchase of bran in the month of February & March, 2018, **placed at PN 03 to 06**, which substantiates the higher rate of purchase price paid to the related parties in these 2 months.
 - iv) Relevant extract of 52nd Annual Report of the Solvent Extractors Association of India, **placed at PN 07**, relevant for establishing industry average.
 - i) Tax audit report of Ramdev Refineries Pvt. Ltd. & Surguja Solvent Extraction Pvt. Ltd., **placed at PN 08 to 34**, being two comparable cases for yield.

The above documents were filed before Ld. CIT(A) with a request to admit the same as additional evidence. However, vide page no. 31 & 32 of appellate order, Ld. CIT(A) rejected/not considered the above additional evidences.

2. **Reason for non submission of documents before AO**

- i) Regarding copy of print out from website of transport department for a vehicle, vide para no. 12 of show cause notice dt. 19.03.2023, the AO observed that vehicle no. "CG11AF9908" is non carriage vehicle and against such show cause notice the appellant filed reply dt. 24.03.2023 before AO explaining that the vehicle no. mentioned is incorrect and correct vehicle no. is "CG11AH9908". Copy of show cause notice is enclosed for your reference (**page no. 35 to 61**) and reply filed by appellant is placed at **43 to 52 of PB**, relevant page of submission is PN 49 of PB.

However, vide page no. 44 of assessment order while reproducing the vehicle number, the AO has reproduced wrong vehicle number. **The print taken from the website of the transport Department only shows that if the correct alphabet is used in the vehicle number by AO, the vehicle is shown to be a goods transport vehicle in the website of the Department. This clarification could not be given before the AO for the reason that when once the appellant submitted the correct vehicle number, it could not apprehend that the AO would mention the wrong vehicle number and draw adverse inference.** Such fact has come to knowledge of the appellant only through the assessment order and therefore this print could not be submitted during assessment.

- ii) Regarding month-wise details of purchase of bran from related & unrelated parties, during assessment proceedings all the details of purchases from related and unrelated parties were submitted and necessary supporting evidences were also provided. This particular chart is just compilation of month-wise details of quantity and value of purchases made from related and unrelated parties. **This chart only shows as to what was the average month-wise purchase rate of related and unrelated party transactions. It is just a compilation of what was produced before the AO during the assessment proceedings and therefore, in strict sense of the matter, it is not an additional evidence because during the assessment proceedings itself, it was claimed by the appellant that there is not much variation between the purchase price from the related and unrelated parties.**

During assessment proceedings, AO had never raised any query or confronted the appellant with any finding that purchase of bran from the related parties was inflated in terms of value and therefore the appellant had no opportunity to furnish these details. In the assessment order, since the AO has relied upon the findings in the case of sister concern of appellant i.e. Shri Shyam Warehousing & Power P. Ltd, wherein

similar allegations have been levelled, to meet such allegation, these details have been submitted.

- iii) Regarding details of purchase of bran made in February and March 2018, these details substantiates that the **purchase of bran made by the appellant from related parties during February and March 2018 was having higher content of oil in it as compared to the oil content of purchases made from other unrelated parties due to which higher price was paid to the related parties during these months and so higher rate was justified.** Purchase price of bran depends upon the oil content therein.

These details have been compiled on the basis of purchase transactions already recorded in the books of appellant, which transactions were placed before the AO and which have been verified by him. Therefore, these details are just compilation of data from the bills which were produced before the AO. **During the assessment proceedings, all the details of purchases from related and unrelated parties were submitted and necessary supporting evidences were also provided and therefore, in strict sense of the matter, it is not an additional evidence.**

During assessment proceedings, AO had never raised any query or confronted the appellant with any finding that purchase of bran from the related parties was inflated in terms of value and therefore the appellant had no opportunity to furnish these details.

- iv) The **52nd annual report of The Solvent Extractors Association of India published** the data of yield of rice bran oil obtained by different registered oil extraction plants all over the country which discloses that during FY 2017-18, the average yield across the country as per this report was 16.50% which **demonstrates that the yield shown by appellant is far better than the country average.** It was in this context that the above referred data published by the all India Association of oil extractors was relied upon. **Since the appellant could obtain copy of extracts of the annual report only after completion of assessment, this could not be submitted before the AO during the assessment proceedings.**
- v) Regarding tax audit report of two comparable cases, **the AO has disallowed entire purchases made by appellant from related parties alleging that bran purchased from them is not genuine.** To meet such allegation, appellant has made a detailed submission before CIT(A) that if impugned purchases are considered to be not genuine, the yield of crude oil would come to a figure which does not match with the industry average. It was in this context that the appellant had submitted tax audit report of 2 entities, which are also into the business of oil extraction. **Such reports have been submitted in support of the claim that the yield of crude oil depicted by the records of appellant out of bran is in line with those declared by the**

comparable cases. Since the appellant could obtain the tax audit reports of the 2 entities only after completion of assessment, these tax audit reports could not be submitted before the AO during the assessment proceedings.

The reason for non submission of documents before AO was also explained in detail before Ld. CIT(A), which is verifiable from 22 to 26 of PB. The additional evidences therefore, could not be filed before the AO for reasonable cause, which was beyond control of appellant.

3. Your honours would kindly appreciate that there was a reasonable cause for non-submission of above documents before AO and that the same is being submitted as additional evidence. The appellant places reliance on decision of **Hon'ble Chhattisgarh High Court in the case of Manoj Kumar Jain vs ITO in TAXC no. 61 of 2025 vide order dt. 07.04.2025**. Vide para no. 15, Hon'ble High Court held that the ITAT has committed grave legal error in rejecting the application without considering the fact as to whether the documents filed by the assessee are required for just and proper disposal of the appeal in light of Rule 29 of the ITAT Rules. In the case before Hon'ble High Court, additional evidences were not filed before Ld. CIT(A) but in case of appellant, the evidences were filed before Ld. CIT(A). Therefore, the decision of Hon'ble High Court will apply in case of appellant strongly.
4. Therefore, it is most humbly & respectfully submitted that the additional evidence may kindly be admitted u/r 29 of ITAT Rules, 1963, per need of justice.

Thanking you.

Yours faithfully,

For, Shri Shyam Oil Extractions Pvt. Ltd


(Director)

Encl. : As stated

CC to: Ld. CIT- Departmental Representative

ITAT Raipur Bench, Raipur

For, Shri Shyam Oil Extractions Pvt. Ltd


(Director)

Encl. : As stated

20. That parties herein at the very outset had already conceded that facts and issues in all these appeals are absolutely similar and considering the fact that the core grievance in ITA No.55/RPR/2025 for A.Y.2018-19 of

the assessee is with regard to non-admission of additional evidences by the Ld.CIT(Appeals), therefore, our decision rendered in ITA No. 339/RPR/2025 for A.Y.2016-17 shall mutatis-mutandis apply in ITA No.55/RPR/2025 for A.Y.2018-19. Accordingly, we set-aside the order of the Ld. CIT(Appeals) and remand the matter back to its file with similar terms as recorded by us in ITA No. 339/RPR/2025 for A.Y.2016-17.

21. In the result, appeal of the assessee in ITA No.55/RPR/2025 for A.Y. 2018-19 is allowed for statistical purposes.

22. In the combined result, all the appeals of the assessee are allowed for statistical purposes.

Order pronounced in the open court on 05th February, 2026.

Sd/-
AVDHESH KUMAR MISHRA
(ACCOUNTANT MEMBER)

Sd/-
PARTHA SARATHI CHAUDHURY
(JUDICIAL MEMBER)

रायपुर/ RAIPUR ; दिनांक / Dated : 05th February, 2026.

SB, Sr. PS

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

1. अपीलार्थी /The Appellant.
2. प्रत्यर्थी /The Respondent.
3. The CIT(Appeals)-1, Raipur (C.G.)
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, रायपुर बेंच, रायपुर / DR, ITAT, Raipur Bench, Raipur.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur.