

**आयकर अपीलीय अधिकरण, कोलकाता पीठ 'बी', कोलकाता**  
**IN THE INCOME TAX APPELLATE TRIBUNAL "B" BENCH: KOLKATA**  
श्री राजेश कुमार, लेखा सदस्य एवं श्री संजय शर्मा न्यायिक सदस्य के समक्ष  
[Before Shri Rajesh Kumar, Accountant Member & Shri Sonjoy Sarma, Judicial Member]

**I.T.A. No. 2470/Kol/2019**  
**Assessment Year : 2012-13**

DCIT, Circle-3(1), Kolkata	Vs.	M/s Shree Parasnath Re-Rolling Mills Ltd. (PAN:AAGCS 2108 E)
Appellant / (अपीलार्थी)		Respondent / (प्रत्यर्थी)

Date of Hearing / सुनवाई की तिथि	13.09.2022
Date of Pronouncement/ आदेश उद्घोषणा की तिथि	17.11.2022
For the Appellant/ निर्धारिती की ओर से	Shri Siddharth Agarwal, Advocate
For the Respondent/ राजस्व की ओर से	Shri Sudipta Guha, CITDR

**ORDER / आदेश**

**Per Rajesh Kumar, AM:**

This appeal is preferred by the revenue against the order of the Ld. Commissioner of Income Tax(Appeals)-17, Kolkata (hereinafter referred to as the Ld. CIT(A)”) dated 20.03.2019 for the AY 2012-13.

2. The common issue raised in the various grounds of appeal by the revenue is against the deletion of addition of Rs. 20,20,00,000/- by the Ld. CIT(A) as made by the AO u/s 68 of the act by ignoring the facts that the assessee has failed to prove identity, creditworthiness of the investors and genuineness of the transactions.

3. Facts in brief are that the assessee filed return of income on 19.09.2012 declaring a loss of Rs. 5,21,57,413/-. The case of the assessee was selected for scrutiny and statutory notices were duly issued and served upon the assessee. The AO had issued notice u/s 142(1) along with questionnaire calling upon the assessee to furnish the various details/information which were filed before the AO during the course of hearing. The AO on the basis of said details observed that the assessee had received during the year share application money of Rs. 20,20,00,000/- from three companies which are as under:

<b>Sl. No.</b>	<b>Name of the applicants</b>	<b>Amount received in Rs.</b>
1.	Iota Software & services (P) Ltd	2,22,00,000/-
2.	Paras Ispat Ltd.	11,70,00,000/-
3.	Parashnath Re-Rolling Mills Ltd.	6,28,00,000/-
	<b>Total</b>	<b>20,20,00,000/-</b>

Thereafter the AO issued letter calling upon the assessee to furnish the further details such as the bank statements, books of accounts of the assessee, profit and loss accounts, balance sheets, returns of income of the investors and also the profit and loss accounts, balance sheets, returns of income of all the directors of the investor companies. The AO also required the assessee to present for cross-examination for the purpose of verification of these transactions. Thereafter the AO observed on the basis of documents filed by the assessee that the assessee had failed to prove three ingredients as envisaged by Section 68 of the Act besides not availing opportunity of cross-examination and finally came to the conclusion that the transactions of share application money are sham for various reasons such as assessee is not having regular business transactions with the investors, investors having no reason to invest such huge amount in the business of the assessee, investor not having any business transactions with the assessee in past or future except one time investment and the

assessee not appearing for cross-examination. Thereafter the AO cited various decisions in para 7 of the assessment order and finally made an addition u/s 68 of the Act as unexplained cash credit by adding the same to the income of the assessee.

4. In the appellate proceedings, the Ld. CIT(A) allowed the appeal of the assessee after taking into account the detailed submissions/evidences filed by the assessee which are reproduced by the Ld. CIT(A) in para 3 of the appellate order which is observing and holding as under:

*"I have considered the finding of the AO in the assessment order as well as the remand report and the submissions made by the AR of the appellant in during the course of the appellate proceedings.*

*Ground No. 1 is regarding the addition of Rs. 20,20,00,000/- u/s 68 of the Act on account of share application money received by the appellant.*

*The AR during the course of appellate proceedings on the fact that the money has been received by the appellant from its group companies having common directors or directors being the relatives and family members of the directors of the appellant. Also, in the paper book submitted, the AR has submitted all the documents relating to the share applicants to prove the 3 ingredients of section 68 i.e. the identity, creditworthiness of the applicants and genuineness of the transaction. I have examined the submission of the appellant. The documents submitted in the paper book running into pages 1-161 were also perused and examined and the following details with regard to each of the shareholders were observed:*

*In respect of the share applicant M/s Iota Software & Services Pvt. Ltd., the relevant details and documents were given at page nos. 3-38 of the paper book submitted by the appellant. The applicant has invested Rs. 2,22,00,000/- in the appellant company. From the details submitted, I find that the directors of the appellant company i.e. Mr. Anil Kumar Jain and Mr. Vipin Kumar Jain were also the directors of the applicant company. Thus, both the companies belonged to the same group having common directors. Also, I find that appellant company was also holding 5.49% of the shares in the applicant company resulting in the cross holding of shares.*

*This company was incorporated on 16.12.1999 and was having company identification number U72200WB1999PTC090772. On examination, the Audited accounts available at the paper book at page 30-37, it was seen that the company was having a paid up capital with free reserves and surplus of Rs. 12,95,11,213/- as on 31/03/2012. On examination, the ITR Acknowledgement and the copy of PAN Card submitted in the paper book it was seen that the company duly filed its return of income before ITO Ward 2(3), Kolkata and was having PAN AAACI8312G. Also, I find that the share application was made through proper banking channel. The copy of the bank statement of the Company is duly available in the paper book. The details of source of funds from which this company had made the share application are also available from a perusal of the bank statement and other documents filed in the paper book.*

*In respect of the share applicant M/s Paras Ispat Ltd., the relevant details and documents were given at page nos. 39-114 of the paper book submitted by the appellant. The applicant has invested Rs, 11,70,00,000/- in the appellant company. From the details submitted, I find that the directors of the appellant company i.e. Mr. Vipin Kumar Jain and Mr. Tarun Jain were also the directors of the applicant company. Thus, both the companies belonged to the same group having common directors. Also, I find that appellant company was also holding 4.66% of the shares in the applicant company resulting in the cross holding of shares.*

*This company was incorporated on 07.11.2006 and was having company identification number U27109WB2006PLC111698. On examination, the Audited accounts available at the paper book at page 95-112, it was seen that the company was having a paid up capital with free reserves and surplus of Rs. 27,40,65,772/- as on 31/03/2012. On examination, the ITR Acknowledgement and the copy of PAN Card submitted in the paper book it was seen that the company duly filed its return of income before ITO Ward 9(1), Kolkata and was having PAN AAECPI453D. Also, I find that the share application was made through proper banking channel. The copy of the bank statement of the Company is duly available in the paper book. The details of source of funds from which this company had made the share application are also available from a perusal of the bank statement and other documents filed in the paper book.*

*In respect of the share applicant M/s Parasnath Re-Rolling Mills Pvt. Ltd., the relevant details and documents were given at page nos. 115-161 of the paper book submitted by the appellant. The applicant has invested Rs. 6,28,00,000/- in the appellant company. From the details submitted, I find that the directors of the appellant company i.e. Mr. Vipin Kumar Jain and Mr. Tarun Jain were also the directors of the applicant company. Thus, both the companies belonged to the same group having common directors. Also, I find that appellant company was also holding 10.22% of the shares in the applicant, company resulting in the cross holding of shares.*

*This company was incorporated on 11.04.2005 and was having company identification number U27109WB2005PTC102703. On examination, the Audited accounts available at the paper book at page 148-159, it was seen that, the company was having a paid up capital with free reserves and surplus of Rs. 19,35,28,972/- as on 31/03/2012. On examination, the ITR Acknowledgement and the copy of PAN Card submitted in the paper book it was seen that the company duly filed its return of income before ITO Ward 9(3), Kolkata and was having PAN AADCP611 ID. Also, I find that the share application was made through proper banking channel. The copy of the bank statement of the Company is duly available in the paper book. The details of source of funds- from which this company had made the share application are also available from a perusal of the bank statement and other documents filed in the paper book.*

*On perusal of the submission, I also find that the reason behind the share capital raised by the appellant as explained is the expansion of business undertaken by the appellant. It has been brought on record that business of the appellant has increased remarkably -in the year concerned. The turnover of the appellant has been increased by Rs. 362,36,32,373 (i.e 131%) in comparison to the previous year. Therefore, the business activities have also increased considerably. For the purpose of expansion, funds are required to carry on the business activities. Therefore, the appellant raised funds from various means, increment in share capital being one of them.*

*I further find that the AO in the assessment order also alleged that the appellant did not produce the directors of the investee companies or did not avail the opportunity of cross*

*examination. However, as per my observation of the assessment order, the AO himself did not take any means to reach to the directors of the applicant companies either by issuing notice u/s 131 or 133(6). He just has tried to shift the entire onus on the appellant. AO did not make any attempt to examine the submission made by the appellant but simply brushed aside in a summary manner. The contents of the remand report reproduced is as under, also suggest callousness of the AO:*

*1) The A/R was allowed an opportunity of hearing, inspection of the assessment records and the Paper Book/written submission on 16/2/2017 - after such examination the A/R stated that-the Paper Book (page 1-161) contains no any additional evidence that may have been sought to be admitted in Appeals ' (which were not submitted before the A.O during the assessment proceeding). Thus the general query on this point may be considered as reported.*

*2) The A.O had passed a speaking assessment order after considering all documents and evidences filed by the appellant before him during the proceeding, in respect of share capital. There is no scope of further verification of such documents by issue of notice u/s 131, to arrive at any different conclusion by me and thus the matter rests on your honour's judicious."*

*Thus, A.O. has just vaguely tried to allege the transaction to be ingenuine without having-any substantial supporting evidence.*

*I have considered the submissions of the AR, reply to the remand report and all the facts and details brought on record by the AR. I find merit in the contention of the AR. All the share applicants as discussed above are group companies of the appellant having common directorship and directors being relatives. The money received by the appellant belongs to the appellant group only. Also, all the transactions are made through proper banking channels and the applicants were having sufficient owned funds to make investments in the appellant company. Also, on going through the Master details of the companies on the MCA site, it was noticed that all the companies are active as on date. Thus, the identity as well as the creditworthiness of the applicants has been duly proved by the appellant. The A.O. has not dealt with the objections raised by the appellant in their merit but has rejected such objections summarily. The A.O. has not been able to find any discrepancy in the details filed by the appellant. The evidences filed by the appellant have not been found to be false or incorrect.*

*Also, the appellant company is a renowned manufacturing company, the money was raised was to fund the projects undertaken by the appellant company. Thus, the reason behind raising the share application money has also been explained by the appellant company. Thus, the genuineness of the transaction has also been proved by the appellant company.*

*Therefore, all the 3 ingredients of section 68, i.e. identity, genuineness and creditworthiness have been duly established by the appellant company.*

*I further find that it has been time and again reiterated by various courts that if the appellant has proved the ingredients of the section by proper and satisfactory documentary evidences, the burden shifts on the revenue to prove that the transaction entered by the appellant is not genuine.*

*In this regard reliance is placed on various decisions which is as under:*

- i) Hon'ble Apex court in the case of PCIT vs Paradise Inland Shipping (P.) Ltd. in 93 taxmann.com 84 dated 23.04.2018*

- ii) *Hon'ble Delhi High Court in the case of PCIT vs. Himachal Fibres Ltd. dated 28.02.2018*
- iii) *Hon'ble Jurisdictional High Court in the case of S.K. Bothra & Sons HUF vs. ITO in 347 ITR 347.*
- iv) *Hon'ble Supreme Court in the case of CIT vs. Lovely exports in [2008] 216 CTR 195 (SC).*
- v) *Hon'ble Calcutta High Court in the case of CIT vs. Dataware Pvt. Ltd. in ITAT No. 263 of 2011 dated 21.09.2011*
- vi) *Hon'ble Calcutta High Court in the case of CIT vs. M/s Nishan Indo Commerce Ltd. dated 2.12.2013 in ITA No. 52 of 2001.*
- vii) *Co-ordinate Bench of ITAT, Kolkata in the case of ITO vs. Trend Infra Developers Pvt. Ltd. in ITA NO. 2270/Kol/2016 dated 26.10.2018.*
- viii) *Co-ordinate Bench of ITAT, Kolkata in the case of ITO vs. M/s Wiz Tech Solutions Pvt. Ltd. in ITA No. 1162/Kol/2015 dated 14.06.2018.*
- ix) *Co-ordinate bench of ITAT, Kolkata in the case of ITO, vs. Goldstar Tracom Pvt. Ltd. in 54 CCH 191 dated 09.11.2018*
- x) *Co-ordinate Bench of ITAT, Kolkata in the case of ACIT vs. Global Mercantile Pvt. Ltd. in [2016] 46 CCH 41 dated 13.01.2016*
- xi) *Co-ordinate bench of ITAT, Kolkata in the case of ITO vs. Mastermind Shoppers Pvt. Ltd., in ITA No. 2278/Kol/2016 dated 27.02.2019*

*Besides the above relied case laws, there is plethora of decisions affirming the fact that if the appellant has discharged its onus by proving the identity, genuineness and creditworthiness of the transaction by producing sufficient and satisfactory documentary evidences, then the burden shifts on the revenue to counter the same and prove the transaction to be ingenuine.*

*In the present case, as discussed above, I find that section 68 of the Act provides that if any sum found credited in the year in respect of which the appellant fails to explain the nature and source shall be assessed as its undisclosed income. In the facts of the present case, both the nature & source of the share application received was fully explained by the appellant. The appellant had discharged its onus to prove the identity, creditworthiness and genuineness of the share applicants. It has been established that all the share applicants are income tax appellant's regularly assessed to tax. The transaction are made through proper banking channel as evident from the bank statements filed by the appellant. For proving the identity of share applicants, the appellant furnished the name, address, PAN of share applicants together with the copies of balance sheets and Income Tax Returns. Thus, the appellant has given all the documentary evidences to prove the 3 ingredients of section 68, i.e. identity & creditworthiness of the applicants and genuineness of the transaction.*

*I find that there is nothing on record or any adverse finding of the AO other than generalized allegations that the impugned transaction entered by the appellant is bogus or unexplained. There is no direct evidence or cogent material was brought on record by the assessing officer to implicate the appellant. The Assessing Officer did not/choose not to make any independent enquiry on various documents and evidences furnished in course of the assessment proceedings .and during remand proceedings also. None of the documents and evidences were found to be bogus or manipulated.*

*I find that there is absolutely no adverse material to implicate the appellant to the entire gamut of unfounded/unwarranted allegations leveled by the A.O. against the appellant, which in my considered opinion has no legs to stand.*

*It is seen that the A.O. did not discharge the burden which had shifted on him but mechanically adhered to disallow the share capital claimed by the appellant without rebutting any of the submission of the appellant during remand proceedings also. The allegations of the A.O. were all based on mere surmise, conjectures and suspicions. The A.O. had allowed his vision to be colored by extraneous circumstances and events which had no bearing and role in deciding the genuineness or otherwise of the transactions of share capital. In fact, the A.O. had not dealt with the specific facts of the case. ?*

*The explanations submitted by the appellant and the judgments' of Hon'ble Supreme Court and various judgements of Hon'ble High Courts and Income Tax Appellate Tribunal including jurisdictional High Court and Jurisdictional Tribunal were not distinguished nor found to be inapplicable by the A.O. The appellant has furnished all documentary evidence which the Assessing Officer has chosen to ignore or not deal with both at the time of assessment as well as the remand proceedings. The Assessing Officer disregarded the submissions of the appellant and all documentary evidences produced/furnished by it in relation to the share capital. The Assessing Officer did not bring on record any legal evidence or material on record to hold that the appellant's transactions relating to share capital were bogus.*

*I also find that the finding of the Assessing Officer is based merely on the suspicion and surmises without any tangible material to show that the appellant has introduced his own unaccounted income in the share capital. Therefore, in absence of any evidence, it cannot be held that the appellant has introduced his own unaccounted money by way of bogus share capital. I find that none of the replies as received by the AO were found irregular or incoherent with the submissions of the appellant and the AO has not made any adverse comment on the documents filed. All the adverse inferences drawn are basically figment of his mind and are not backed by material on record or facts of the case. The addition made by the AO is in a routine manner on assumptions and surmises whereas the comment offered by the appellant against the findings of remand report clearly established all the ingredients as discussed.*

*Therefore, on analyzing of the facts as well as the evidence produced by the appellant, I find that the Assessing officer has not brought any material on record to controvert the fact duly established by the supporting evidences. The inability of the AO to verify the explanation offered by the appellant is not a valid ground to reject the explanation. Reliance in this regard is placed on the decision of the Hon'ble Madras High Court in the case of S Hastimal vs. CIT reported in 49 ITR 263(Mad). The appellant is entitled to have evidence produced to be considered and an inference to be drawn therefrom. The rejection of an explanation of the appellant by ignoring to consider important pieces of evidence is an error of law. Reliance in this regard is placed on the decisions D Yasodamma, Gudur vs CIT reported in 70 ITR 515(AP) at 517 and Bhagwati Prasad Misra vs CIT reported in 35 ITR 97 (Orissa). The various facts of the arguments of the AR supra, with regard to impleading the appellant for drawing adverse inferences which remain unproved based on the evidence available on record, are, not reiterated for the sake of brevity. The principles laid down in various case laws relied upon by the AR are also not reiterated for the sake of brevity.. The AR of the appellate cited plethora of the case laws to bolster his claim which are not being repeated again since it has already been incorporated in the submissions of the AR (supra) and have been duly considered to arrive at conclusion.*

*To sum up I find that the appellant has proved the 3 ingredients of section 68. The appellant had discharged its onus to prove the identity, creditworthiness and genuineness of the share applicants. The PAN details, bank account statements, audited financial statements and*

*Income Tax acknowledgments were placed on AO's record. Accordingly all the three conditions as required u/s. 68 of the Act i.e. the identity, creditworthiness and genuineness of the transaction was placed before the AO and the onus shifted to AO to disprove the materials placed before him. Without doing so, the addition made by the AO based on conjectures and surmises is not justified. In view of the above facts and circumstances of the case as discussed above, I agree with the contention of the AR that no addition was warranted under Section 68 of the Act.*

*In view of the above discussions and various judicial decisions of the Hon'ble Apex Court various High Courts including jurisdictional High courts and various ITAT including the jurisdictional ITAT, I find that the all the decisions as relied are squarely applicable to the case of the appellant. I agree with the contention that the addition made by the AO is without any cogent material on record and is purely based on his surmises. Therefore, it is held that the addition made by the AO u/s 68 of RS. 20,20,00,000/- is completely unjustified. Accordingly, AO is hereby directed to delete the addition. The appeal on this ground is allowed."*

5. The ld. D.R. ,while strongly relying on the order of AO, submitted before the Bench that the share application money was received from three companies the details thereof have been given at page no. 2 of the assessment order in para 4. The Ld. D.R. submitted that the assessee has not furnished the necessary evidences proving authenticity, genuineness and creditworthiness of the investors and therefore the AO has rightly added the same u/s 68 of the Act by citing various reasons such as transactions being sham and bogus , assessee not having regular business transactions or regular acquaintances with the investors and assessee not presenting himself for cross-examination nor the assessee is proving that the funds were received from these investor companies. The ld. D.R. submitted that though the remand report which was called by the Ld. CIT(A) from AO and reproduced in the page no. 36 of appellate order however the said report is too sketchy as AO did not discuss anything about his examination of evidences/details furnished by the assessee during the course of remand proceedings. Thus the AO in the remand proceedings has failed to discharge his duties cast upon him by Act. The Ld. D.R. referred to page no. 48 of the appellate order by Ld. CIT(A) and submitted that the documents which were produced before the Ld. CIT(A) were not available at the time of original assessment proceedings, though this matter was remanded to the AO during the appellate proceedings however the remand report being cryptic and sketchy so the matter may kindly be set aside to the file of the AO for examination afresh and deciding the issue



in accordance with law on the available evidences which were produced by the assessee.

6. The Ld. A.R. on the other hand strongly objected to the arguments of the Ld. D.R by submitting that all the evidences/details were examined in detail by the AO as well as by the Ld. CIT(A) and therefore the contentions as made by the Ld. D.R. were devoid of merit and substance and deserves to be dismissed. The Ld. A.R. while referring to assessment order submitted that the assessee has filed all the details as desired and called for by the AO in respect of all the investors as well as their directors including the evidences available with the assessee, however the AO without pinpointing any specific defects in these documents reached a conclusion on flimsy and clumsy grounds such as assessee not having regular business transactions with the investors in past or future, investors making huge investments, the assessee not coming forward for cross-examination etc. The Ld. A.R. referred to page no. 2 of the appellate order and submitted that in para 3, the Ld. CIT(A) has discussed and dealt with the reply of the assessee in detail. The Ld. A.R submitted that the assessee is not sham or shell company but is a company doing substantive business of manufacturing of various steel and allied products like angle, channel, joists, wire rod, H-Beam, billets etc. through its head office at Durgapur, West Bengal where the factory is located. The Id. Counsel for the assessee also submitted that during the impugned year, the total turnover of the assessee is Rs. 637.76 crores and the assessee is an approved vendor of NHPC, UNITECH, TATA Wipro, Power Grid, DLF etc. Then the Ld. Counsel for the assessee referred to para 3.2 of the Ld. CIT(A) wherein the details of share application money received from three group companies were given along with their addresses, PAN nos. and amounts etc. The Ld. A.R. also referred to para 3.3. of the Ld. CIT(A) wherein the assessee had submitted before the Ld. CIT(A) that since these companies were group companies, there were common directors. The Ld. A.R submitted that all these details were duly placed before the AO during the assessment proceedings. The Ld. A.R submitted by drawing our attention to para 3.4 of the appellate order wherein the share holdings of the assessee company

in the investors company were given and contended that the AO has overlooked all the facts and his conclusion was wrong and based merely on surmises and conjectures without appreciating the facts available on record before him. The Ld. A.R. then referred to page 7 of the appellate order in para 4 wherein the Ld. CIT(A) reproduced the reply to the remand report filed by the assessee. The Ld. A.R. submitted that this remand report was called for by the Ld. CIT(A) on various issues and evidences on which the AO was holding the some wrong notion and then the Ld. A.R. referred to page 36 of Ld. CIT(A)'s order wherein the Ld. CIT(A) has reproduced remand report and in para 1 in the remand report the AO has stated that all the evidences referred in the paper book from Sl. No. 1 to 161 are not additional evidences meaning thereby that all these evidences before the AO. Referring the documents/evidences as filed by the assessee in respect of share capital , the Ld. A.R. also submitted that the investor companies were having sufficient own funds, the details of which were discussed by the Ld. CIT(A) in para 6 at page 9 of the appellate order and therefore the conclusion drawn by the AO was totally wrong and against the facts of record. The Ld. .A.R finally referred to allegation of AO on the basis of which the addition was made and submitted that the facts herein above totally refutes all the allegations as false and without any basis. The Ld. A.R. finally submitted that the Ld. CIT(A) has allowed the appeal of assessee on this issue after taking into account all the evidences/details, remand report and reply of the assessee to the remand report and all the allegations of the AO were controverted and proved to be false or without any merit/basis. The Ld. A.R. therefore prayed that the order of Ld. CIT(A) may kindly be upheld by dismissing the grounds raised by the revenue.

7. Having heard the rival submissions and perusing the material on record including the impugned appellate order, we find that the assessee has received share application money during the year amounting to Rs. 20,20,00,000/- from the three investor companies admittedly and undisputable group companies the details whereof are given hereinabove in para 3. We note that all these three investor companies related to the assessee with common directors and having cross shareholdings the

details whereof are given in para 3.4 page 3 of the appellate order. We observe that the allegation of AO is negated and neutralized that the assessee is not having regular business transactions with the investors and investments were made without having any business transactions in the present or in the past and also the fact of group companies having not substantiated and proved. We note that the assessee company's total turnover during the Year was Rs. 637.76 crores and the assessee company is doing business of manufacturing of various steel and allied products like angle, channel, joists, wire rod, H-Beam, billets etc. through its head office at Durgapur, West Bengal where the factory is located. Besides we note that assessee is also an approved vendor of NHPC, UNITECH, TATA Wipro, Power Grid, DLF etc. We note that assessee has filed all the details before the AO containing the detailed particulars of investors, their addresses, PAN NOs. and amounts invested by these respective companies besides filing of details of cross-share holdings and common directors. We also note that the Ld. CIT(A) called for remand report from the AO on some issues on which the AO has having some wrong notions which were apparently wrong and contrary to the facts on records. We further observe from the remand report furnished by the AO during appellate proceedings before Ld CIT(A) after looking into all these evidences/documents sated that all these evidences were before the AO in the original assessment proceedings and did not require any further investigation into the matter. The Ld. CIT(A) only after having received this remand report and after considering all the evidences on record and also capacity of the investors who were having sufficient own sources, deleted the addition. Under these facts and circumstances we do not find any infirmity in the order of Ld. CIT(A) and accordingly grounds raised by the revenue are dismissed.

8. In the result, the appeal of the revenue is dismissed.

Order is pronounced in the open court on 17<sup>th</sup> November, 2022

Sd/-  
(Sonjoy Sarma /संजय शर्मा)  
Judicial Member/न्यायिक सदस्य

Sd/-  
(Rajesh Kumar/राजेश कुमार)  
Accountant Member/लेखा सदस्य

Dated: 17<sup>th</sup> November, 2022

SB, Sr. PS

Copy of the order forwarded to:

1. Appellant- DCIT, Circle-3(1), Kolkata
2. Respondent – M/s Shree Parasnath Re-Rolling Mills Ltd., 14C, Maharshi Devendra Road, 3<sup>rd</sup> Floor, Kolkata-700007.
3. Ld. CIT(A)- 17, Kolkata (sent through e-mail)
4. Pr. CIT- , Kolkata
5. DR, Kolkata Benches, Kolkata (sent through e-mail)

True Copy

By Order

Assistant Registrar  
ITAT, Kolkata Benches, Kolkata