



2025:CGHC:15720-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR**TAXC No. 110 of 2017**

Assistant Commissioner Of Income Tax Circle 2(1) Raipur Chhattisgarh,
Chhattisgarh

--- Appellant

versus

Shri B.L. Agrawal Mayur Bhawan Near Radha Krishna Saw Mill, New Timber
Market, Fafadih, Raipur, Chhattisgarh, Chhattisgarh

--- Respondent

TAXC No. 105 of 2017

Assistant Commissioner Of Income Tax Circle 2(1) Raipur Chhattisgarh,
Chhattisgarh

---Appellant

Versus

Shri B.L. Agrawal Mayur Bhawan Near Radha Krishna Saw Mill, New Timber
Market, Fafadih, Raipur, Chhattisgarh, Chhattisgarh

--- Respondent

TAXC No. 109 of 2017

Assistant Commissioner Of Income Tax Circle 2(1) Raipur Chhattisgarh,
Chhattisgarh

---Appellant

Versus

Shri B.L. Agrawal Mayur Bhawan Near Radha Krishna Saw Mill, New Timber
Market, Fafadih, Raipur Chhattisgarh. , Chhattisgarh

--- Respondent

TAXC No. 111 of 2017

Assistant Commissioner Of Income Tax Circle 2(1), Raipur Chhattisgarh,
Chhattisgarh

---Appellant

Versus

Shri B.L. Agrawal Mayur Bhawan Near Radha Krishna Saw Mill, New Timber
Market, Fafadih, Raipur, Chhattisgarh, Chhattisgarh

--- Respondent

For Appellant / : Mr. Ramakant Mishra, Deputy Solicitor General
Revenue alongwith Mr. Rishabh Singh Deo, Advocate.

For Respondent / : Mr. Vinay Kumar Jain, Advocate (through Video
Assessee Conferencing) and Mr. Krishna Tandon, Advocate.

Hon'ble Mr. Ramesh Sinha, Chief Justice

Hon'ble Mr. Arvind Kumar Verma, Judge

Judgment on Board**Per Ramesh Sinha, Chief Justice**

03/04/2025

1. Since common facts and issues are involved in these appeals, they are being heard together and decided by this common judgment.
2. All the aforesaid appeals have been filed by the appellant-Revenue. The facts in all these appeals are common with the only difference that they relate to different assessment years (for short, the AY). TAXC No. 110/2017 is taken as the lead case for disposal of these appeals.
3. In TAXC No. 110/2017, 105/2017, 109/2017 and 111/2017, challenge is made to the common order dated 09.01.2017 (Annexure P/1) passed in ITA No. 111/BLPR/2012, 114/BLPR/2012, 113/BLPR/2012 and 110/BLPR/2012, respectively, by which the challenge made by the Revenue to the common order dated 31.05.2012 (Annexure A/2) passed by the Commissioner of Income Tax (Appeals), has been rejected.

4. The facts, in brief, as projected by the appellant/Revenue is that a search and seizure action under Section 132 of the Income Tax Act, 1961 (for short, the Act of 1961) was conducted on 04.02.2010 at the residential premises of the assessee. Similar search was also conducted at the residential premises of assessee's parents/brothers, business premises of M/s Prime Ispat Limited, a closely held Company and other related business concerns and also the residential and office premises of the then Chartered Accountant of the group Shri Sunil Kumar Agrawal. Subsequently, the assessments were completed under Section 143(3) read with Section 153A of the Act of 1961, on 30.12.2011. The year-wise total income as per return and as assessed by the AO on protective basis was as under:

A.Y.	Returned Income (In Rs.)	Assessed Income (In Rs.)
2005-2006	4,18,530	5,70,30,437/- (Wrongly mentioned as Rs. 5,74,48,970/-)
2006-2007	3,88,460/-	5,45,00,870/-
2007-2008	4,36,246/-	12,87,51,370/-
2008-2009	5,76,137/-	22,01,47,090/-
2009-2010	9,91,580/-	16,20,69,990/-

5. Against the above assessment order, the assessee has filed an appeal before CIT (A). CIT(A) vide his order in Appeal No. 436 to 440/2011-12 dated 31.05.2012 has allowed the appeal of the assessee on the issue of protective addition made u/s 69A and 69C of the Act. As the decision of CIT (A) was not acceptable to the Department, the Department preferred an appeal before the learned Tribunal. The learned Tribunal, vide its order dated 09.01.2017 has dismissed appeal filed by the Department on the issue of addition made under Section 69A and 69C of the Act and held that there is no infirmity in the order of CIT(A).
6. Mr. Ramakant Mishra, learned Deputy Solicitor General appearing for the appellant/Revenue submits that the order passed by the learned Tribunal

dated 09.01.2017 is bad in law and contrary to the facts and circumstances of the case and the impugned order suffers from perversity. The learned Tribunal failed to appreciate that the additions to the returned income mainly relate to alleged investment in share capital of four different Companies namely M/s Prime Ispat Ltd., M/s Mahamaya Agrotech Pvt. Ltd., M/s Bapu Agriculture Pvt. Ltd. and Xpress Mining Pvt. Ltd. and on account of payment of commission to Shri Sunil Kumar Agrawal. The year-wise particulars of the additions are as follows:

A.Y.	On A/c. Of Share Capital U/S. 69A (In Rs.)	On A/c of Commission U/s. 69C (In Rs.)	Total Addition (In Rs.)
2005-06	5,55,01,870/-	11,10,037/-	5,66,11,907/-
2006-07	5,30,51,379/-	10,61,027/-	5,41,12,406/-
2007-08	12,57,59,924/-	25,15,198/-	12,82,75,122/-
2008-09	21,52,65,635/-	43,05,313/-	21,95,70,948/-
2009-10	15,79,20,010/-	31,58,400/-	16,10,78,410/-

7. It is further submitted by Mr. Mishra that the learned Tribunal has failed to appreciate that the Assessing Officer (*for short, the AO*) made the above additions on protective basis, besides an amount of Rs. 40,000/- added in A.Y. 2007-08 on substantive basis. M/s Prime Ispat Ltd. is a newly come up entity and it was observed that in first few years of its existence, it managed to amass huge capital from numerous individuals of Kharora village, who were men of nor or inadequate means. They were not conversant with the nitty-gritty of share trading activity and they have made huge cash deposits in the newly opened bank accounts, which were ultimately transferred to M/s Prime Ispat Ltd. The scheme of circulation of funds was fully exposed during search at the residence / office premises of Shri Sunil Kumar Agrawal, as well as his associates (Shri Vinod Agrawal, Uncle of Shri Sunil Kumar Agrawal and Shri Vimal Agrawal, Cousin of Shri Sunil Kumar

Agrawal) deposed before the authorized officer and admitted of doing this work for the benefit of Prime Ispat Ltd. Shri Sunil Kumar Agrawal, when interrogated about the source of money, has stated that it possibly belongs to the assessee and he was getting commission of 2% for this work. During the search operation, Shri Vimal Agrawal accepted that on the direction of Shri Pawan Agrawal, Shri Ashok Agrawa and Shri Babulal Agrawal, 13 Companies and other firms were started as these persons wanted to convert their black money into white without paying any tax. For this purpose about 230 bank accounts in the name of different persons were opened. Shri Vinod Agrawal also repeated the same things in his statement. The assessee was asked to explain the averment during the assessment proceedings to which no satisfactory explanations was furnished except that Shri Sunil Kumar Agrawal has retracted his statement. Hence, the theory of retraction of statement does not hold good. Further, the assessee did not discharge his onus as per averment of Shri Sunil Kumar Agrawal. ITAT has only mentioned about the statement of Shri Sunil Kumar Agrawal and his further retraction, whereas on going through assessment order it has been found that name of Shri Sunil Kumar Agrawal, Chartered Accountant as well as his associates was mentioned. The associates of Shri Sunil Kumar Agrawal are his uncle Shri Vinod Agrawal and his cousin Shri Vimal Agrawal. During the search operation, Shri Vimal Agrawal accepted that on the direction of Shri Pawan Agrawal, Shri Ashok Agrawal and Shri Babulal Agrawal, 13 Companies and other firms were created as these persons wanted to convert their black money into white without paying any tax. For this purpose about 230 bank accounts in the name of different persons were opened. Shri Vinod Agrawal also repeated the same things in his statement. The statement of these two persons are more important as they were Directors in some of the 13 Companies through which unaccounted money

in the form of share capital/premium was finally reached to the books of M/s Prime Ispat Ltd. and as per records they have not retracted their statement. The assessee was not applicant before the Settlement Commission, however Income Tax Settlement Commission vide its order dated 31.10.2012 in S.A. No. Chh/Raipur/2011-12/25-29&31/IT has held that investment from shell Companies etc. of Rs. 39.08 crores + Rs. 1.40 crores 40.48 crores cannot be treated as fully explained. It is clear that unaccounted income has been introduced in the form of share capital/premium in the books of M/s Prime Ispat Ltd. through 13 shell Companies and some villagers of Kharora and this unaccounted income cannot belong to M/s Prime Ispat Ltd as it is a newly come up entity. Also, Shri Vinod Agrawal and Shri Vimal Agrawal have accepted in their statement that on the direction of Shri Pawan Agrawal, Shri Ashok Agrawal and Shri Babulal Agrawal, 13 Companies and other firms were created as these persons wanted to convert their black money into white without paying any tax. For this purpose about 230 bank accounts in the name of different persons were opened.

8. Mr. Mishra further submits that the learned Tribunal failed to appreciate that, unaccounted income of the assessee Shri Babulal Agrawal has been introduced in the form share capital/premium in the books of M/s Prime Ispat Ltd. It is pertinent to mention here that the assessee's brother Shri Ashok Agrawal & Shri Pawan Agrawal and his other close relative were Directors of M/s Prime Ispat Ltd. M/s Prime Ispat Limited is closely related to the assessee and he has used a colorable device to conceal his unaccounted income. Thus, protective assessment made in the case of assessee is fully justified.
9. Mr. Mishra lastly submits that recently action has been taken by the Central Bureau of Investigation and the Enforcement Directorate against the the

assessee which strengthens the fact unearthed by the Department that the assessee has moved his unaccounted income through different types of *Benamidar* and shell Companies. Shri Sunil Kumar Agrawal, C.A. has also been arrested by Enforcement Directorate on the basis of statement of some villagers of Kharora Village.

10. On the other hand, Mr. Vinay Kumar Jain, learned counsel for the respondent/Assessee submits that the order passed by the learned Tribunal is just and proper warranting no interference. It is submitted by him that the core of the issue involved in these cases is the correctness of the addition of investment in share capital/ premium of 4 different Companies in the hand of the respondent on protective basis, which amounts to have already been assessed on substantive basis in the hands of the respective Companies. The learned CIT(A) and the learned Tribunal has already passed orders in favour of the respondent/Assessee in this regard, thus proving the gross illegality made by the AO. It is further submitted that there is no question of law involved in the present appeals inasmuch as it is undisputed that the learned Settlement Commission has already considered and passed final order dated 31.10.2012 settling the issue of share capital received by M/s Prime Ispat Limited. A perusal of the order passed by the learned Settlement Commission would show that the income has been assessed on estimated basis for share capital contribution received by M/s Prime Ispat Ltd. Rule 9 Report and order under Section 245 (4) of the Act of 1961 would clearly demonstrate that the matter of share capital was fully considered by the learned Settlement Commission. In terms of provision of Section 245-1 of the Act the matter of share capital cannot be taken up by Appellant for making protective addition at the hands of the respondent/Assessee. In the assessment framed share capital contribution received by M/s Mahamaya Agrotech Private Limited, M/s Bapu Agriculture Private Limited and M/s

Xpress Mining Private Limited has also been assessed to tax on protective basis at the hands of the assessee AO after making addition has referred to statement of Shri Sunil Kumar Agrawal. Perusal of statement of Shri Sunil Kumar Agrawal would reveal that he was being questioned for capital of M/s Prime Ispat Limited. In the entire statement there is no adverse observation in the name of the assessee for contribution of capital in respect to these three Companies. Protective assessment made in respect on above facts is without there being any evidence on record and is unjustifiable and unsustainable. Further, it is submitted that the oblique nature of the statement of Shri Sunil Kumar Agrawal and absence of any direct evidence to establish nexus of the funds with the Respondent was admitted by the Department and under such circumstances, the protective assessment made by the AO is not correct. It is the settled position of law that, protective assessment can be possible only when the IT authorities are not clear as to in whose hands a particular income is to be assessed and then as a precautionary and protective measure they can initiate proceedings on more than one person in respect of the same income. There is no direct evidence or any confusion regarding ownership of the disputed income except the unsubstantiated and baseless statement of Shri Sunil Kumar Agrawal with respect of M/s Prime Ispat Limited. That there is also no evidence to hold that the respondent or the fruits of the investments have any time been enjoyed by him. Further, it is pertinent here to mention that it is undisputedly clear from the assessment orders in the case of Mahamaya Agrotech. Private Limited, Bapu Agriculture, Express Mining Private Limited that the AO completed substantive assessments in these cases without any reservations. This clearly shows that there was no doubt prevailing in the mind of the AO and under such circumstances, the same income which was assessed on substantive in one case cannot be dragged to another case, to

assess on protective basis that too without any material or evidence. There is no specific provision in the Act for the purpose of making the protective assessment. However, now it is well settled by judicial precedent that in order to protect the interest of Revenue, protective assessment can be made. However, no recovery can be made on the basis of the protective assessment. A protective assessment will come to an end when the substantive assessment in the case of a particular person.

11. Mr. Jain further submits that it is settled position of law that the same income cannot be added twice in the hands of the different person hence, there cannot be double taxation. It is the fundamental rule of law of taxation that, unless otherwise expressly provided, income cannot be taxed twice. It is further settled law that under Section 69A and 69C of the Act of 1961, onus is on the revenue to show that the assessee has made the investment/expenditure in the financial year and the same remained unexplained at the hands of the assessee. In the course of search, no incriminating evidence has been found to show that assessee has made an investment/expenditure and thus, the basic ingredients of invoking the aforesaid provisions in the case of Assessee is absent. The addition thus made at the hands of the assessee is unsustainable. As far as the share capital of the Companies whose share capital and share premium has been added in the hands of the Respondent, it may kindly be noted that the Respondent is neither the shareholder nor a Director of these Companies. No cogent material has been brought on record linking the Respondent with the share capital of these Companies. That the Hon'ble Apex Court has held that if the share application money is received by the assess from alleged bogus shareholders, whose names are given to the Assessing Officer, then only the Department is free to proceed to reopen their individual assessments in accordance with law. It is the settled position of law that the

assessment proceedings conducted under Section 153A of the Act, addition can only be made in respect to the incriminating material found during the course of search. In search proceedings of Respondent, no incriminating evidence is found of whatsoever nature and thus no addition as made by the AO is justifiable.

12. Mr. Jain next submits that the the sole basis for addition is a statement of Chartered Accountant Shri Sunil Kumar Agrawal that he was doing capital building work for benefit of M/s Prime Ispat Ltd. It was stated that the Company amassed huge capital which was coming from cash deposits made by numerous individuals. Shri Sunil Kumar Agrawal has stated that the money belonged to the assessee and he was doing this activity on 2% commission basis. Shri Sunil Kumar Agrawal has later retracted his statement and has given an affidavit that his earlier statement was under duress. Further, it is pertinent here to mention that the appellant has alleged that the learned Tribunal has passed the order without even considering the statements of Shri Vimal Agrawal and Shri Vinod Agrawal who were the Directors in the shell Companies through which huge sum was introduced in the garb of share capital and share premium in the books of M/s Prime Ispat Limited. In relation to the same it is humbly submitted that, there is no pleadings/ grounds/ reference made to the above statements of Shri Vimal Agrawal and Shri Vinod Agrawal in any of the order dated 30.12.2011 passed by the AO, order dated 31.05.2012 passed by the learned CIT(A) and the order dated 09.01.2017 passed by the learned Tribunal and neither it was raised in appeal by Department before the learned Tribunal and the appellant is raising this ground/question of fact for the first time before this Hon'ble High Court which is illegal. The learned Tribunal has never ignored the ratio of the decisions of the Hon'ble Supreme Court rendered in the matter of *Smt. Tara Devi Agrawal v. CIT* that the case referred by the

Appellant totally differ as far as the facts of the present case are concerned. Further, the appellant also rely upon the judgment of the Hon'ble Supreme Court passed in the matter of ***State of Orissa v. Mamata Mohanty*** (2011) 3 SCC 436 in ruling against the Department by not setting aside and restoring the matter of the two parallel assessment proceedings concluded for the same assessment year under Section 153A and 153C of the Act of 1961 respectively in the case of the respondent to the AO for fresh assessment. The case relied upon by the appellant is different from the facts of the present case in many aspects and is not applicable. It has also been alleged by the appellant that the learned Tribunal erred in relying on the ratio of Hon'ble Supreme Court in the case of *M/s Lovely Exports* 216 CTR 195, thereby ignoring the ratio of decision of Hon'ble Supreme Court in the case of *M/s Rajmandir Estates Private Limited v. PCIT-III, Kolkata* (SLP No. 22566-22567/2016 dated 09.01.2017). The allegation made by the appellant in this regard is not sustainable as the Hon'ble Supreme Court on finding no reason to entertain the special leave petitions, dismissed the same, without setting any ratio.

13. We have heard learned counsel for the parties, perused the pleadings and documents appended thereto.
14. Vide order dated 06.02.2018, these appeals were admitted for hearing on the following substantial questions of law:

“1. Whether the Tribunal was justified in deleting the addition made by the AO by ignoring the report of the handwriting expert proving the handwriting of the assessee on relevant documents?”

*2. Whether the ITAT was justified in ignoring the ratio of the decision rendered by the Supreme Court in *Smt. Tara Devi Aggrawal v. CIT* (1973) 88 ITR 323 (SC) and *State of Orissa**

and another v. Mamata Mohanty (2011) 3 SCC 436, while passing the order against the revenue?

3. Whether the ITAT was justified in ignoring the report of the forensic expert and recording a finding that Shri Anand Agrawal was not the benamidar of the assessee Shri B.L.Agrawal?"

15. Thereafter, the matter was listed on 12.03.2018, 04.04.2018, 08.05.2018, 17.12.2019, 14.02.2020, 17.03.2025, 18.03.2025, 25.03.2025. The matter was listed thereafter on 01.04.2025 for final hearing when a query was put by this Court to the learned counsel appearing for the parties as to whether there were any other criminal cases pending against the respondent/ Assessee. In order to answer the said queries, the matter was taken up today.
16. A covering memo has been filed by the learned counsel for the respondent/Assessee wherein a chart has been enclosed which states that there are three cases pending against the respondent filed by the CBI and one case is registered by the Economic Offence Wing and one case has been registered by the Enforcement Directorate which are also pending before the various Courts. Mr. Mishra has also provided a list of cases pending before the various Courts arising out of the search and seizure made by the Income Tax Department wherein one case relates to the offence registered by the CBI, another by the Enforcement Directorate and the third case relates to the Settlement Commission, Calcutta under the Income Tax Act.
17. From perusal of the order passed by the AO dated 30.12.2011 (Annexure A/3), it is evident that the respondent/Assessee had filed his return showing his income to be Rs. 3,88,460/- in which the AO has made addition of Rs. 5,41,12,406 making it total to Rs. 5,45,00,870.00. The said addition made

by the AO was challenged by the respondent/Assessee before the CIT(A) wherein learned CIT(A) vide order dated 31.05.2012 (Annexure A/2) has allowed the appeal in part by deleting the additions made to the returned income. Being aggrieved, the appellant/Revenue filed an appeal before the learned Tribunal which also stood dismissed vide order dated 09.01.2017 (Annexure A/1).

18. From perusal of the materials available on record, it appears that the learned Tribunal has failed to properly appreciate the significant findings from the search operation conducted at multiple locations, including the assessee's residential premises, those of his partners/brothers, the business premises of M/s Prime Ispat Limited (a closely-held company dealing in the manufacture and sale of structural steel), and the residential and office premises of the then Chartered Accountant, Shri Sunil Kumar Agrawal. The search revealed that M/s Prime Ispat Limited, a newly established entity, had amassed substantial capital in its initial years. This capital was primarily sourced from cash deposits made by numerous individuals from the village of Kharora and persons with no or inadequate means to invest such amounts. These individuals were not familiar with the intricacies of share trading activities. Notably, these individuals opened bank accounts and made significant cash deposits, which were ultimately transferred to M/s Prime Ispat Limited's account, raising serious concerns about the legitimacy of these transactions. The Tribunal has erred by not appreciating the significance of the statements made by Shri Vimal Agrawal and Shri Vinod Agrawal, who admitted that, under the direction of Shri Pawan Agrawal, Shri Ashok Agrawal, and Shri Babulal Agrawal, 13 companies and other firms were created. The primary objective of these entities was to convert black money into white, circumventing taxes. Approximately 230 bank accounts were opened in the names of various

individuals, enabling the conversion and concealment of funds. These admissions should have been carefully considered, as they directly implicate the Assessee in a deliberate effort to evade tax obligations through illegal means. The learned Tribunal also erred by not acknowledging the full scope of the fund circulation scheme, which was exposed during the search at the premises of CA Shri Sunil Kumar Agrawal. The AO recorded a statement from Shri Sunil Kumar Agrawal, who confirmed that he was involved in the capital building activities for M/s Prime Ispat Limited and that the funds in question were attributable to the respondent/assessee, Shri Babulal Agrawal. Shri Sunil Kumar Agrawal also stated that he was receiving a 2% commission for facilitating these transactions. Despite the clear implication of this statement, the respondent/assessee failed to provide any satisfactory explanation regarding these assertions, merely claiming that the CA had retracted his statement. In the absence of a credible explanation, the AO appears to have rightfully added these funds to the Assessee's income under sections 69-A and 69-C of the Income Tax Act, 1961. The scheme of fund transfer ultimately benefitted M/s Prime Ispat Limited. The unaccounted funds, which were transferred from individuals connected to the Company, were effectively placed at the disposal of the Company, thereby concealing the true origin of these funds and facilitating the further concealment of income. The Tribunal's failure to recognize this critical aspect of the case undermines the finding that the respondent/assessee's actions were part of a broader scheme to conceal income. The learned Tribunal has further not taken into account the unaccounted income was introduced into M/s Prime Ispat Limited in the form of share capital and premium via 13 shell Companies and certain villagers from Kharora. The Tribunal did not adequately address the fact that M/s Prime Ispat Limited, being a new entity, could not have legitimately

accumulated such large sums of capital, especially when the source of these funds can be traced to shell companies created to facilitate the conversion of black money into white. The statements of Shri Vimal Agrawal and Shri Vinod Agrawal confirm the deliberate actions taken to hide the true nature of these transactions, which were orchestrated by the respondent/assessee and his associates. The unaccounted income of the respondent/assessee was introduced into the books of M/s Prime Ispat Limited as share capital/premium, a Company closely connected to the respondent/assessee. This action constitutes a colorable device to conceal the respondent's unaccounted income. In light of these actions, the protective assessment made in the assessee's case is fully justified. The introduction of funds through such means was part of a deliberate strategy to conceal and launder income, and therefore, the assessment by the AO must be upheld to prevent the Assessee from benefiting from his unlawful actions

19. In the light of the above discussion, it is evident that the learned Tribunal has failed to consider crucial evidence and overlooked the implications of the statements made by key individuals involved in the case. The Tribunal's failure to appreciate the full scope of the evidence and its failure to apply relevant legal principles in the context of the assessee's actions has led to an erroneous conclusion.
20. The main ground on which the learned CIT(A) as well as the learned Tribunal has allowed the appeal filed by the respondent/Assessee and rejected the appeal filed by the appellant/Revenue is that earlier, Shri Sunil Kumar Agrawal has stated that the money belonged to the respondent/assessee and he was doing this activity on 2% commission basis. Shri Sunil Kumar Agrawal has later retracted his statement and has given an affidavit that his earlier statement was under duress. However, it is

worthwhile to note that the learned Tribunal as well as the CIT(A) have not taken into account the statements of Shri Vimal Agrawal and Shri Vinod Agrawal who were the Directors in the shell Companies through which huge sum was introduced in the garb of share capital and share premium in the books of M/s Prime Ispat Limited. The statement of these two individuals ought to have been considered in proper perspective before arriving at any finding. Shri Vinod Agrawal and Vimal Agrawal have accepted in their statement that on the direction of Shri Pawan Agrawal, Shri Ashok Agrawal and the appellant, 13 shell Companies and other firms were created as these persons wanted to convert their black money into white without paying any tax. Even as per the learned counsel for the parties, the CBI, ED and EOW has registered various cases against the respondent/Assessee which are pending consideration.

21. In view of the above discussion, we deem it appropriate to set aside the orders passed by the learned Tribunal dated 09.01.2017 (Annexure P/1) and the order passed by the learned CIT(A) dated 31.05.2012 (Annexure P/2) and remand the matters back to the learned CIT(A) to consider the statements of the individuals and the grounds raised by the appellant/Revenue afresh and thereafter pass appropriate orders, in accordance with law.

22. Accordingly, these appeals stand **allowed**.

Sd/-
(Arvind Kumar Verma)
JUDGE

Sd/-
(Ramesh Sinha)
CHIEF JUSTICE