IN THE HIGH COURT OF ORISSA AT CUTTACK

I.T.A. No.13 of 2016

Principal Commissioner of Income Tax, Sambalpur .... ***Appellant***

Mr. S.S. Mohapatra, Senior Standing Counsel

-versus-

M/s. Shree Balaji Engicons Pvt. Ltd. .... ***Respondent***

None

CORAM:
THE CHIEF JUSTICE
JUSTICE R.K. PATTANAIK

ORDER

Order No. **04.03.2022**

03. 1. The present appeal by the Department is against an order dated 30th October 2015 of the Income Tax Appellate Tribunal, Cuttack Bench, Cuttack (ITAT) in ITA No.375/CTK/2013 for the Assessment Year (AY) 2009-10.

2. The question sought to be urged by the Department is whether the CIT(A) and the ITAT were right in deleting the addition made by the Assessing Officer (AO) in relation to the amount for which the Assessee was given a cheque pertaining to share application money, by Idea Suppliers Private Limited?

3. It appears that in the appeal filed by the Assessee, the CIT (A) called for a remand report from the AO on the material placed before the CIT (A) by the Assessee. Factually, it was found by the AO while sending the remand report that the amount from Idea Suppliers Private Limited "was a cheque in hand which was later returned back without being encashed". This led the CIT (A) to conclude that "since no money was admittedly received by

the Appellant during the year there cannot be any addition under Section 68 because what was apparently received was only a cheque which was returned." There was sufficient explanation offered by the Assessee for the other credits in the account of the Assessee.

4. The ITAT declined to interfere with the above factual findings of the CIT(A).

5. Having heard learned counsel for the Department, the Court is not satisfied that there is any legal error in orders of either the CIT (A) or the ITAT that gives rise to any substantial question of law. There is no merit in the present appeal and it is dismissed as such.

(Dr. S. Muralidhar)
Chief Justice

(R.K. Pattanaik)
Judge

S.K. Guin