आयकरअपीलीयअधिकरण 'ए' न्यायपीठ,चेन्नई। **IN THE INCOME TAX APPELLATE TRIBUNAL** **'A' BENCH: CHENNAI** **श्री इंतूरी रामा राव लेखासदस्य एवं श्री मनु कुमार गिरि, न्यायिक सदस्य** **BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER AND SHRI MANU KUMAR GIRI, JUDICIAL MEMBER**		
आयकर अपील सं./**ITA Nos. 3319/Chny/2025** निर्धारण वर्ष/**AY: 2016-17**		
M/s. Pebblebrook Ecoenergies Energy Pvt. Ltd. (Studio-N), Sy. No.70, Narne Nagar, Beside Lancohills, Manikonda, Hyderabad, Telangana, 500075	**v.**	The Assistant Commissioner of Income Tax, DC/AC Central Circle 1(2), Chennai-600034
[PAN: AAHCP4916E]		
आयकर अपील सं./**ITA No. 3320/Chny/2025** निर्धारण वर्ष/**AY:2016-17**		
M/s. Hillside Garden Pvt. ltd. (Studio-N) Sy. NO.70, Narne Nagar, Beside Lancohills, Manikonda, Telangana, Hyderabad, Telangana, 500075		The Assistant Commissioner of Income Tax, DC/AC Central Circle 1(2), Chennai-600034
[PAN: AADCH 3001 L]		
आयकर अपील सं./**ITA No. 3321/Chny/2025** निर्धारण वर्ष/**AY: 2016-17**		
M/s. Greenwood Farms Pvt. Ltd. (Studio-N) Sy. NO.70, Narne Nagar, Beside Lancohills, Manikonda, Telangana, Hyderabad, Telangana, 500075		The Assistant Commissioner of Income Tax, DC/AC Central Circle 1(2), Chennai-600034
[PAN: AAFCG 4195 A]		
आयकर अपील सं./**ITA No. 3322/Chny/2025** निर्धारण वर्ष/**AY:2016-17**		
M/s. Avanish Plantations Pvt. Ltd, No. 425, 10th Cross, 18th Main, JP Nagar, 2nd Phase, JP Nagar, BangaloreSouth, Bangalore-560078		The Assistant Commissioner of Income Tax, DC/AC Central Circle 1(2), Chennai-600034
[PAN: AAICA7665A]		

(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)
अपीलार्थी की ओर से/ Appellant by	:	Mr. Rakesh Joshi, CA,
प्रत्यर्थी की ओर से /Respondent by	:	Ms. R. Anita, CIT
सुनवाई की तारीख/Date of Hearing	:	07.08.2026
घोषणा की तारीख /Date of Pronouncement	:	26.10.2026

आदेश / **O R D E R**

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PER BENCH:

The captioned appeals in ITA Nos. 3319 and 3320/Chny/2025, filed by different assessees, are directed against the separate orders passed by the Ld. Commissioner of Income Tax (Appeals), Chennai-18 [hereinafter referred to as "the ld.CIT(A)"], both dated 12.11.2025. Similarly, the appeals in ITA Nos. 3321 and 3322/Chny/2025, filed by different assessees, are directed against the separate orders passed by the ld.CIT(A), both dated 10.11.2025. In all four appeals, the ld.CIT(A) has upheld the respective assessment orders passed u/s.153A read with Section 143(3) of the Income Tax Act, 1961 ("the Act"), for the Assessment Year ("AY") 2016–17.

Since the facts and the grounds of appeal raised by the respective assessees are similar in all four appeals, we take M/s Pebblebrook Ecoenergies Energy Private Limited ITA No. 3319/Chny/2025 as the lead case for adjudication. Accordingly, our findings and decision in ITA No. 3319/Chny/2025 for AY 2016-17 shall apply mutatis mutandis to the other three appeals, viz., ITA Nos. 3320, 3321 and 3322/Chny/2025.

M/s Pebblebrook Ecoenergies Energy Private Limited ITA No. 3319/Chny/2025:

2. The assessee has raised the following grounds before the Tribunal:

> *1. The ld. CIT(A) and the Assessing Officer (AO) erred in not appreciating that the original assessment order passed u/s. 143(3) read with section 153A was invalid and, consequently, the revision order passed u/s. 263 and the consequential assessment order*

passed u/s. 153A read with section 263 were also liable to be set aside.

2. The ld. CIT(A) erred in confirming the addition of Rs.19,50,000 u/s. 68 by treating the land advance received by the assessee as unexplained cash credit, without properly appreciating the facts and circumstances of the case.

3. Brief facts of the case are that the assessee, M/s Pebblebrook Ecoenergies Energy Private Limited, filed its return of income declaring a loss of Rs.23,057/-. A search and seizure operation u/s. 132 of the Income-tax Act, 1961 (hereinafter referred to as "the Act"), was conducted on 16.10.2019 in the cases of the N.K.V. Krishna Group, including the assessee. The original assessment u/s. 153A read with section 143(3) was completed on 28.09.2021, accepting the returned loss.

3.1 Subsequently, the ld. Principal Commissioner of Income Tax (PCIT), Central-1, Chennai, passed an order u/s. 263 dated 21.03.2024, directing the AO to examine the source of cash credits aggregating to Rs.19,50,000/- appearing in the seized records and to consider the applicability of sections 68/69A read with section 115BBE of the Act.

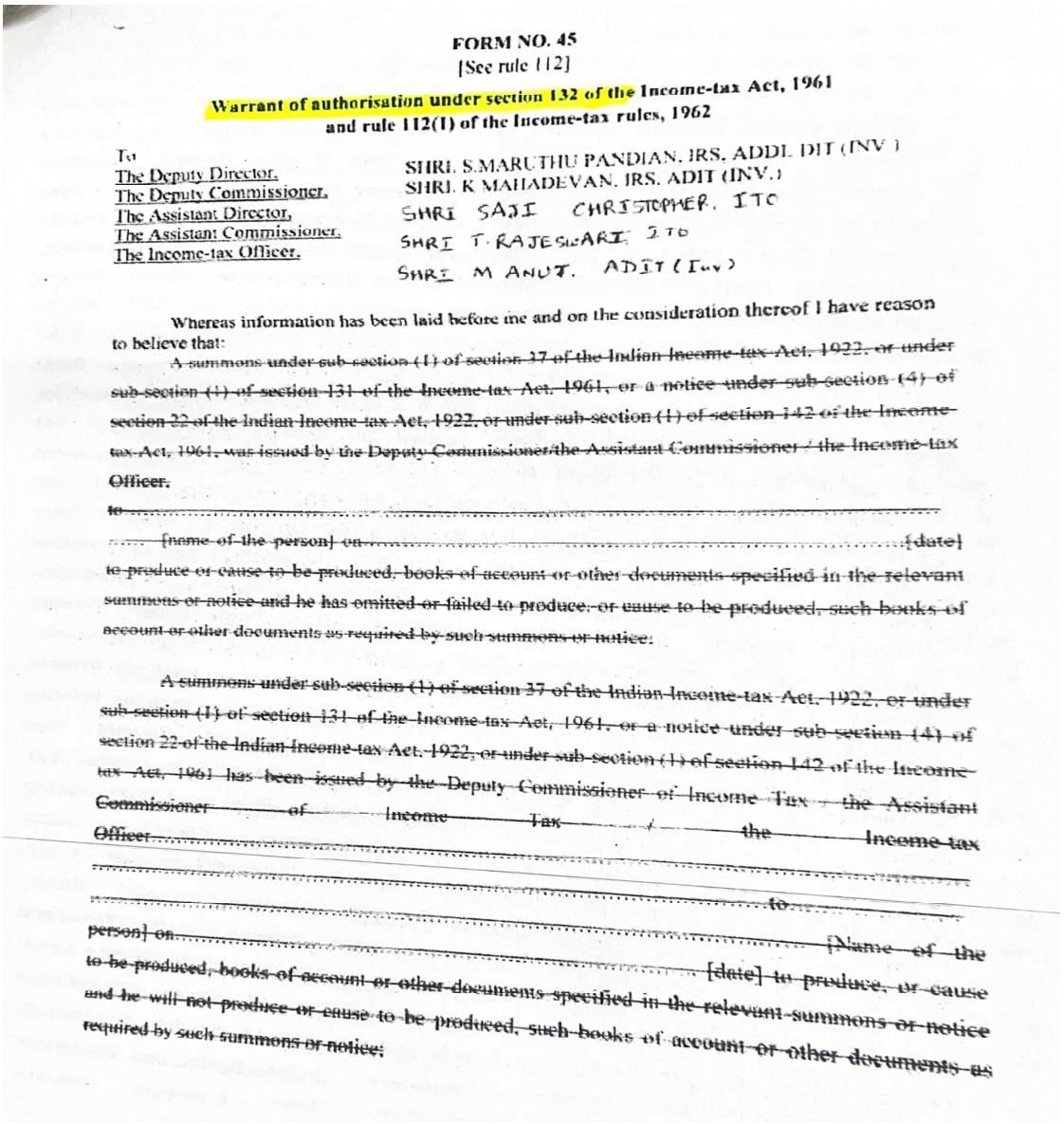
3.2 During the search proceedings, Tally data maintained by Shri Saravana Kumar, Accounts Manager of the group companies, was seized. The seized records contained details of cash introduced into various group entities under different heads, including land advances, share application money and

unsecured loans. In his sworn statement, Shri Saravana Kumar stated that such amounts represented unaccounted cash. Shri N.K.V. Krishna also confirmed the nature of the transactions recorded in the relevant annexures.

3.3 The ledger of the assessee's bank account maintained with Punjab National Bank, as extracted from the seized Tally data, reflected cash receipts aggregating to Rs.19,50,000/- on 29.03.2016 under the narration "Land Advance Received". The assessee did not furnish the identities and addresses of the persons from whom the amounts were allegedly received or documentary evidence establishing the source of the cash receipts.

3.4 Pursuant to the order u/s. 263, the AO issued notices calling for details and subsequently issued a show-cause notice proposing an addition of Rs.19,50,000/- u/s. 68. The assessee submitted that the amount represented land advances duly recorded in its books and disclosed in its audited financial statements. It further contended that substantial additional income, including Rs.13 crore in the case of M/s Golden Shelters Private Limited, had been considered in proceedings before the Interim Board of Settlement (IBS), and that the same was sufficient to cover the impugned addition.

3.5 Warrant of authorization is as under: -



FORM NO. 45
[See rule 112]

Warrant of authorisation under section 132 of the Income-tax Act, 1961 and rule 112(1) of the Income-tax rules, 1962

To
The Deputy Director,
The Deputy Commissioner,
The Assistant Director,
The Assistant Commissioner,
The Income-tax Officer.

SHRI. S.MARUTHU PANDIAN. IRS. ADDL DIT (INV.)
SHRI. K MAHADEVAN. IRS. ADIT (INV.)
SHRI SAJI CHRISTOPHER. ITO
SHRI T. RAJESWARI. ITO
SHRI M ANUT. ADIT (Inv.)

Whereas information has been laid before me and on the consideration thereof I have reason to believe that:

~~A summons under sub-section (1) of section 37 of the Indian Income-tax Act, 1922, or under sub-section (1) of section 131 of the Income-tax Act, 1961, or a notice under sub-section (4) of section 22 of the Indian Income-tax Act, 1922, or under sub-section (1) of section 142 of the Income-tax Act, 1961, was issued by the Deputy Commissioner/the Assistant Commissioner / the Income-tax Officer.~~

~~to .....~~

~~..... [name of the person] on ..... [date]~~

~~to produce or cause to be produced, books of account or other documents specified in the relevant summons or notice and he has omitted or failed to produce, or cause to be produced, such books of account or other documents as required by such summons or notice.~~

~~A summons under sub-section (1) of section 37 of the Indian Income-tax Act, 1922, or under sub-section (1) of section 131 of the Income-tax Act, 1961, or a notice under sub-section (4) of section 22 of the Indian Income-tax Act, 1922, or under sub-section (1) of section 142 of the Income-tax Act, 1961 has been issued by the Deputy Commissioner of Income Tax / the Assistant Commissioner of Income Tax / the Income tax Officer.....~~

~~.....~~

~~..... to .....~~

~~person] on ..... [Name of the~~

~~to be produced, books of account or other documents specified in the relevant summons or notice and he will not produce or cause to be produced, such books of account or other documents as required by such summons or notice.~~ [date] to produce, or cause

If a summons under sub-section (1) of section 37 of the Indian Income-tax Act, 1922, or under sub-section (1) of section 131 of the Income-tax Act, 1961, or a notice under sub-section (4) of section 22 of the Indian Income Tax Act, 1922 or under sub-section (1) of section 142 of the Income-tax Act, 1961, is issued to **Shri N.K.V.Krishna, Smt. Preetha & M/s. Ashwagandha Homes Private Limited, Atwater Farms Private Limited, Chatrachaya Property Holdings Private Limited, Dalton Properties Private limited, Greenfeet Ecoenergies Private Limited,Greenwood Farms Private Limited,Kundun Agro Private Limited,Kurral Infrastructure Private Limited,Livetrees Farms Private Limited, Onella Infra Private Limited, Punavuori Agro Farms Private Limited, Riverroad Agro Farms Private Limited, Sacredbanyan Infra Private Limited,WhiteLotus Solar Beas Private Limited,WhiteLotus Solar Ganga Private Limited, WhiteLotus Solar Hooghly Private Limited, WhiteLotus Solar Kaveri Private Limited, WhiteLotus Solar Private Limited, WhiteLotus Solar Sindh Private Limited, WhiteLotus Solar Subarnarekha Private Limited,WL League Private Limited (formerly konwn as Kosmik Sport League Pvt Ltd.),Abhi Paisa Investments Private Limited, Advanced Life Supplement Products Limited, Bluewater Properties LLP, Bluewater Structures LLP,Dream View Properties Private Limited, Dream View Tea And Coffee Estate Private Limited, Enlite Networks Private Limited, Environmental Protection Foundation, Experience Entertainment Education Private Limited,Global Arkitekts Private Limited,Global Investment One Development Private Limited, Global Investmentone Realty Private Limited,Golden Ayurvedic Services Private Limited,Golden Lotus Services LLP,Golden Shelters Private Limited,Golden Spiritual Service Private Limited, Goldenage Incense Private Limited,Goldenage Publication (India) Private Limited, Kosmic Film Entertainment Company Private Limited,Kosmic Studio Private Limited,KPL Assets LLP,La Vie Estates LLP,Prajit Foundation Private Limited,Rising Solutions Private Limited,Transend Advantage Sports Private Limited,Transend Global Entertainment Private Limited,Transend Media Private Limited,Transend Organics Private Limited,Transend Realty Development Private Limited, Transend Resort Private Limited,Transend Sports League Private Limited,Transend Telecom Private Limited,White Lotus Structures Limited,WhiteLotus Investment Private Limited, WhiteLotus Investmentone Private Limited,WL Assets LLP, WL Epic Media Private Limited, WL Structures Private Limited, Yogi Networks Limited,Bellewood Alternate Energies Private Limited, Greenscore Clean Energies Private**

Limited,Greenstep Clean Energies Private Limited, Harmony Renewable Energy Private Limited,Hillside Garden Private Limited,Hillview Renewable Power Private Limited,Kurral Solar Private Limited,Magnolia Ecopower Private Limited,Ornament Clean Energies Private Limited, Pebblebrook Ecoenergies Energy Private Limited,Tatva Clean Energies Private Limited,Tatva Renewable Power Private Limited,Anantram Agro Farms Private Limited, Avanindra Agro Farms Private Limited,Avanish Orchardes Private Limited,Charudutta Agro Farming Private Limited,Chetan Orchardes Private Limited, Paramjeet Orchardes Private Limited,Chittaswarup Agro Farming Private Limited,Ojas Plantations Private Limited, Ameya Orchardes Private Limited, Anish Orchardes Private Limited, Bhadrak Plantations Private Limited,Chetan Plantations Private Limited,Paramjeet Plantations Private Limited,Bellewood Ecoenergies Private Limited, Betelnut Estates Private Limited, Pebblebrook Renewable Energy Private Limited, Pippala Leaf Developers Private Limited, Riverside Renewable Power Private Limited,Aditya Plantations Private Limited,Ajitabh Orchardes Private Limited,Bhupen Orchardes Private Limited,Manindra Agro Farms Private Limited,Mithil Agro Farming Private Limited, Dikpala Developers Private Limited,Frangipani Agro Private Limited,Frangipani Orchards Private Limited,Green Hammock Agro Private Limited,Meadow Land Estates Private Limited,Ameya Plantations Private Limited, Bhadrak Agro Farming Private Limited, Achyuta Plantations Private Limited,Ajitabh Agro Farms Private Limited,Kolonaki Infra Private Limited,Surrey Farms Private Limited, Avanish Plantations Private Limited, Manindra Orchardes Private Limited,Golden Gate Internet Private Limited, Dovefin Microfinance Private Limited, Kurral Mines Minerals And Resources Private Limited,Shambala Developers Private Limited, Living In Joy Foundation, Vishwa Dweep Company Private Limited,WhiteLotus Energy Private Limited,Silversilica Mines And Mineral LLP, Utkarsh Orchardes Private Limited,Golden Age Foundation,Bluewater Estates Private Limited, Simbiotic Energy Plantations Private Limited, Kodaiivalley Hortiteck Farms Private Limited, Anantram Orchards Private Limited, DJ Farms & Plantations, One World Academy,One Humanity Care, Kalki Trust For Rural Service,Shri Amma Bhagavan Seva Trust,Sri Amma Bhagavan Foundation India, Sri Amma Bhagavan Earth Foundation,Kalki Healing Mission, Sri Bhagavan Seva Trust, India Rural Development Mission, The Foundation of Temple of God.

---------- [name of the person] to produce, or cause to be produced, books of account or other documents which will be useful for, or relevant to, proceedings under the Indian Income-tax Act, 1922, or under the Income-tax Act, 1961, he would not produce, or cause to be produced, such books of account or other documents as require by such summons or notice.

Sarvasshri/Shri/Smt – **Shri N.K.V.Krishna & Smt Preetha & M/s. Ashwagandha Homes Private Limited, Atwater Farms Private Limited, Chatrachaya Property Holdings Private Limited, Dalton Properties Private limited, Greenfeet Ecoenergies Private Limited,Greenwood Farms Private Limited,Kundun Agro Private Limited,Kurral Infrastructure Private Limited,Livetrees Farms Private Limited, Onella Infra Private Limited, Punavuori Agro Farms Private Limited, Riverroad Agro Farms Private Limited, Sacredbanyan Infra Private Limited,WhiteLotus Solar Beas Private Limited,WhiteLotus Solar Ganga Private Limited, WhiteLotus Solar Hooghly Private Limited, WhiteLotus Solar Kaveri Private Limited, WhiteLotus Solar Private Limited, WhiteLotus Solar Sindh Private Limited, WhiteLotus Solar Subarnarekha Private Limited,WL League Private Limited (formerly konwn as Kosmik Sport League Pvt Ltd.),Abhi Paisa Investments Private Limited, Advanced Life Supplement Products Limited, Bluewater Properties LLP, Bluewater Structures LLP,Dream View Properties Private Limited, Dream View Tea And Coffee Estate Private Limited, Enlite Networks Private Limited, Environmental Protection Foundation, Experience Entertainment Education Private Limited,Global Arkitekts Private Limited,Global Investment One Development Private Limited, Global Investmentone Realty Private Limited,Golden Ayurvedic Services Private Limited,Golden Lotus Services LLP,Golden Shelters Private Limited,Golden Spiritual Service Private Limited,**

Goldenage Incense Private Limited,Goldenage Publication (India) Private Limited, Kosmic Film Entertainment Company Private Limited, Kosmic Studio Private Limited,KPL Assets LLP,La Vie Estates LLP,Prajit Foundation Private Limited,Rising Solutions Private Limited,Transend Advantage Sports Private Limited,Transend Global Entertainment Private Limited,Transend Media Private Limited,Transend Organics Private Limited,Transend Realty Development Private Limited, Transend Resort Private Limited,Transend Sports League Private Limited,Transend Telecom Private Limited,White Lotus

Structures Limited,WhiteLotus Investment Private Limited, WhiteLotus Investmentone Private Limited,WL Assets LLP, WL Epic Media Private Limited, WL Structures Private Limited, Yogi Networks Limited,Bellewood Alternate Energies Private Limited, Greenscore Clean Energies Private Limited,Greenstep Clean Energies Private Limited, Harmony Renewable Energy Private Limited,Hillside Garden Private Limited, Hillview Renewable Power Private Limited,Kurral Solar Private Limited,Magnolia Ecopower Private Limited,Ornament Clean Energies Private Limited, Pebblebrook Ecoenergies Energy Private Limited,Tatva Clean Energies Private Limited,Tatva Renewable Power Private Limited, Anantram Agro Farms Private Limited, Avanindra Agro Farms Private Limited,Avanish Orchardes Private Limited,Charudutta Agro Farming Private Limited,Chetan Orchardes Private Limited, Paramjeet Orchardes Private Limited,Chittaswarup Agro Farming Private Limited,Ojas Plantations Private Limited, Ameya Orchardes Private Limited,Anish Orchardes Private Limited,Bhadrak Plantations Private Limited,Chetan Plantations Private Limited,Paramjeet Plantations Private Limited,Bellewood Ecoenergies Private Limited, Betelnut Estates Private Limited, Pebblebrook Renewable Energy Private Limited, Pippala Leaf Developers Private Limited, Riverside Renewable Power Private Limited,Aditya Plantations Private Limited,Ajitabh Orchardes Private Limited,Bhupen Orchardes Private Limited,Manindra Agro Farms Private Limited,Mithil Agro Farming Private Limited, Dikpala Developers Private Limited,Frangipani Agro Private Limited,Frangipani Orchards Private Limited,Green Hammock Agro Private Limited,Meadow Land Estates Private Limited,Ameya Plantations Private Limited, Bhadrak Agro Farming Private Limited, Achyuta Plantations Private Limited,Ajitabh Agro Farms Private Limited,Kolonaki Infra Private Limited,Surrey Farms Private Limited, Avanish Plantations Private Limited, Manindra Orchardes Private Limited,Golden Gate Internet Private Limited, Dovefin Microfinance Private Limited, Kurral Mines Minerals And Resources Private Limited, Shambala Developers Private Limited,Living In Joy Foundation, Vishwa Dweep Company Private Limited,WhiteLotus Energy Private Limited,Silversilica Mines And Mineral LLP,Utkarsh Orchardes Private Limited,Golden Age Foundation,Bluewater Estates Private Limited, Simbiotic Energy Plantations Private Limited, Kodaiivalley Hortiteck Farms Private Limited, Anantram Orchards Private Limited, DJ Farms & Plantations, One World Academy,One Humanity Care, Kalki Trust For Rural Service,Shri Amma

Bhagavan Seva Trust,Sri Amma Bhagavan Foundation India, Sri Amma Bhagavan Earth Foundation,Kalki Healing Mission, Sri Bhagavan Seva Trust, India Rural Development Mission,The Foundation of Temple of God.----------

----------are is in possession of any money, bullion, jewellery or other valuable article or thing and such money, bullion, jewellery or other valuable article or thing represents either wholly or partly income or property which has not been, or would not be, disclosed for the purposes of the Indian Income-tax Act, 1922 or the Income-tax Act, 1961.

And whereas I have reason to suspect that such books of account, other documents, money bullion, jewellery or other valuable article or thing have been kept and are to be found in---NEW NO.16/2, 1st FLOOR, NAICKMAR STREET, WEST MAMBALAM, CHENNAI-33----------.

This is to authorise and require you **as mentioned overleaf** {name of the Deputy Director of Income Tax or Deputy Commissioner of Income Tax or Assistant Director of Income Tax or Assistant Commissioner of Income Tax or Income-tax Officer}

(a) to enter and search the said building/place/vessel/vehicle/aircraft;

(b) to search any person who has got out of, or is about to get into, or is in the building/place/vessel/vehicle/aircraft if you have reason to suspect that such person has secreted about his person any such books of account, other documents, money, bullion, jewellery or other valuable article or thing;

(c) to place identification marks on such books of account and documents as may be found in the course of the search and as you may be consider relevant to or useful for the proceedings aforesaid and to make a list thereof together with particulars of the identification marks;

(d) to examine such books of accounts and documents and make, or cause to be made, copies or extracts from such books of account and documents;

(e) to seize any such books of account, documents, money, bullion, jewellery or other valuable article or thing found as a result of such search and take possession thereof;

(f) to make a note or an inventory of any such money, bullion, jewellery, or other valuable article or thing;

(g) to convey such books of account, documents, money, bullion, jewellery or other valuable article or thing to the office of the Deputy Commissioner of Income-tax or any other authority not below the rank of the Income-tax Officer employed in the execution of the Income-tax Act, 1961, and

(h) to exercise all other powers and perform all other functions under section 132 of the Income-tax Act, 1961, and the rules relating thereto

You may requisition the services of any police officer or any officer of the Central Government, or of both, to assist you for all or any of the purposes specified in sub-section (1) of section 132 of the Income-tax Act, 1961.

15/10/2019
Director General / Principal Director of Income-tax

जे. आल्बर्ट, भा.रा.से.
J. ALBERT, I.R.S.
प्रधान महानिदेशक (अन्वेषण)
Principal Director of Income-Tax (Investigation)
चेन्नै / Chennai

Place: Chennai
Date: .. /10/2019
(SEAL)

Seen
16/10/19
D. Abdul Karim Sundaram
9841502157

Seen
12.12.2019
S. KARTHIKEYAN

Seen
10.12.2019
S. KARTHIKEYAN
9003084041

Witness
1) 16/10/19
2) 16/10/19

W1 12/12/19
W2 12.12.19

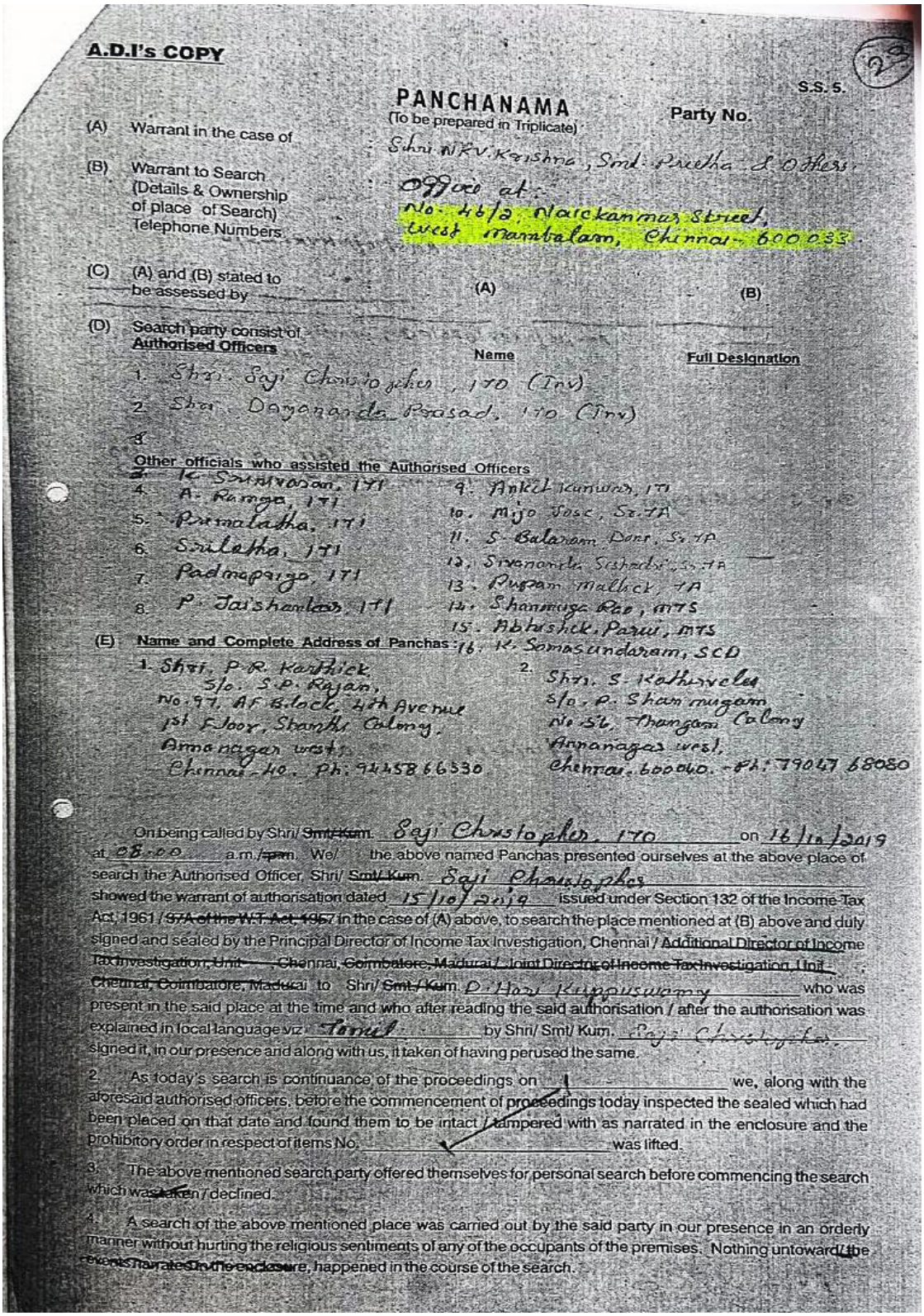
Witness
1) 10/12/19
2) 10.12.19

11.12.2019
S. KARTHIKEYAN
9003084041

11/12/19

W2 11.12.19

3.6 Panchanama is as below: -



A.D.I's COPY

S.S. 5.

PANCHANAMA
(To be prepared in Triplicate)

Party No.

(A) Warrant in the case of : Shri N.K.V. Krishna, Smt. Preetha & Others.

(B) Warrant to Search (Details & Ownership of place of Search) Telephone Numbers : Office at: No. 46/2, Narickanmaz Street, West Mambalam, Chennai - 600 033.

(C) (A) and (B) stated to be assessed by (A) (B)

(D) Search party consist of Authorised Officers

	Name	Full Designation
1.	Shri. Saji Christopher	ITO (Inv)
2.	Shri. Dayananda Prasad	ITO (Inv)
3.		

Other officials who assisted the Authorised Officers

4. K. Srinivasan, ITI
5. A. Ranga, ITI
6. Premalatha, ITI
7. Sulatha, ITI
8. Padmapriya, ITI
9. P. Jaishankar, ITI
10. Ankit Kanwar, ITI
11. Mijo Jose, Sr. TA
12. S. Balaram Dass, Sr. TA
13. Sivananda Srihari, Sr. TA
14. Pugam Mallick, TA
15. Shanmuga Rao, MTS
16. Abhishek Parui, MTS
17. K. Somasundaram, SCD

(E) Name and Complete Address of Panchas :

1. Shri. P.R. Karthick
S/o. S.P. Rajan,
No. 97, AF Block, 4th Avenue
1st Floor, Shanthi Colony,
Anna nagar west,
Chennai - 40. Ph: 9445866530

2. Shri. S. Kathavelu
S/o. P. Shanmugam
No. 56, Thangam Colony
Annanagar west,
Chennai, 600040. Ph: 79047 68080

On being called by Shri/ ~~Smt/ Kum~~. Saji Christopher, ITO on 16/10/2019 at 08:00 a.m./~~p.m.~~ We/ the above named Panchas presented ourselves at the above place of search the Authorised Officer, Shri/ ~~Smt/ Kum~~. Saji Christopher showed the warrant of authorisation dated 15/10/2019 issued under Section 132 of the Income Tax Act, 1961 / ~~37A of the W.T. Act, 1957~~ in the case of (A) above, to search the place mentioned at (B) above and duly signed and sealed by the Principal Director of Income Tax Investigation, Chennai / Additional Director of Income Tax Investigation, ~~Unit - , Chennai, Coimbatore, Madurai~~ / Joint Director of Income Tax Investigation, ~~Unit - , Chennai, Coimbatore, Madurai~~ to Shri/ ~~Smt./ Kum~~. P. Hari Kuppusamy who was present in the said place at the time and who after reading the said authorisation / after the authorisation was explained in local language viz: Tamil by Shri/ Smt/ Kum. Saji Christopher signed it, in our presence and along with us, it taken of having perused the same.

2. As today's search is continuance of the proceedings on _____ we, along with the aforesaid authorised officers, before the commencement of proceedings today inspected the sealed which had been placed on that date and found them to be intact / tampered with as narrated in the enclosure and the prohibitory order in respect of items No. _____ was lifted.

3. The above mentioned search party offered themselves for personal search before commencing the search which was taken / declined.

4. A search of the above mentioned place was carried out by the said party in our presence in an orderly manner without hurting the religious sentiments of any of the occupants of the premises. Nothing untoward ~~the events narrated in the enclosure~~, happened in the course of the search.

5. In the course of the search

(a) The following were found and seized :

(i) Books of accounts and documents as per annexure (— NIL — sheets)

(ii)

(iii) Cash as per annexure (— NIL — sheets)

(iv) Jewellery, Ornaments, etc., which have been inventorised separately for each place from where recovered as per annexure (— NIL — sheets)

(v) Silver articles and Silverware as per annexure (— NIL — sheets)

(vi) Other Valuables, Locket, Keys, F.Ds. etc. as per annexure (sheets)

(vii) Electronic Devices, Mobile, etc. as per annexure (ANN/SC/NKVK/ED/5 sheets)

(b) The following were found but not seized :

(i) Books of accounts and documents as per annexure, ~~Marks of identification were placed on these and the specimen of the marks and the pages where these have been placed are shown in the inventory prepared~~ viz., annexure (ANN/SC/NKVK/BED/F-1, ANN/SC/NKVK/BED/F-2 sheets)

(ii) The other valuable articles or things as per Annexures (— NIL — sheets)
(Separate inventories of Jewellery, Ornaments, Silverware, etc. were prepared for items found in different places or claimed to be belonging to different persons).

(iii) Cash found as per Annexures (— NIL — sheets)

6. In the course of the search, the Authorised Officer Shri/ ~~Smt./Kum.~~ Saji Christopher, ITO recorded the statement(s) of Shri/ ~~Smt./Kum.~~ M. Srinivasan, D. Hari Kuppuswamy and Shri S. Karthikeyan on solemn affirmation / oath, in presence. No coercion, threat inducement, promise or other undue influence was brought to bear on the above deponent. The statement was read over/ explained in the local language viz ——— to the deponent by Shri/ Smt./ Kum. ——— who signed the statement in token of having understood its contents and of agreeing that it had been correctly recorded.

7. The following other important persons were present in the place of search, either took an active part in or helped the search proceedings.

Name	Relationship
S. Rajathi	Employee
Rushikish	—

8. The search commenced on 16/10/2019 at 08.00 ~~a.m./p.m.~~ The proceedings were closed on 19/10/2019 at 08.05 ~~a.m./p.m.~~ as ~~finally concluded/~~ as temporarily concluded for the day to be commenced subsequently for which purpose seals were placed ~~on the entire place/~~ on ——— P.O dated 17/10/2019

9. An order under Section 132(3) of the I.T. Act, 1961 in respect of the sealed premises ——— P.O ——— was served on Shri./ ~~Smt./Kum.~~ D. Hari Kuppuswamy by the said Authorised Officers.

10. Before leaving the above mentioned place of search, the entire search party again offered themselves to personal search which was ~~taken /declined~~. The above panchanama has been read by us/ explained to us in local language viz. Tamil by Shri/ ~~Smt./ Kum.~~ Saji Christopher and it is certified that it has been correctly recorded.

~~Signature of the Panchas with dates:~~

1. 19/10/19

2. 19/10/19

Signature of the Authorised officer

Name : सजी क्रिस्टोफर SAJI CHRISTOPHER
Designation : INCOME TAX OFFICER (NV) UNIT-2, CHENNAI
Date :
Seal :

Signature of the person receiving the copy of the Panchanama

Name : D. HARI KUPPUSWAMY
Position in / Relationship to 'A' :
Date : 19/10/19

3.7 Sworn Statement of Saravanakumar as below: -

Sworn statement recorded u/s 132(4) of the Income tax Act, 1961 from Shri. N Saravana Kumar, aged 51 years S/o T Natarajan, Accounts Manager in M/s.Golden Shelters Pvt Ltd during the course of search proceedings conducted in the case of Shri N K V Krishna, Smt Preetha and others at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006 on 19.10.2019.

Oath administered

"I swear in the name of God that I will speak the truth, only truth and nothing but the truth."

19/10/19
Oath administered
D.SANKAR GANESH, IRS.
Deputy Director of Income Tax (Inv.)
Unit-2 (2), Chennai-34

19/10/19
(N. SARAVANAKUMAR)
Oath taken

Q.1. Please identify yourself?

Ans. My name is Shri N Saravana Kumar, aged 51 years, S/o T Natarajan residing at No.46, Selva Ganapathy Nagar, Noombal, Chennai – 600077. I am working as Accounts Manager in M/s.Golden Shelters Pvt Ltd since 2004. My wife Smt Shanmuga Sundari is House-wife. I have one daughter Ms. S Gayathri studying B.Com. My PAN is ABEPS2892P. My Mobile numbers are +91-9791013787 and 8610908616. My email ids are saravanakumar@kosmicglobal.com & nskg2k@yahoo.com and passwords are SRISRIBHAGAVANSREE2222 and saravanan1969 respectively.

Q2. Please confirm that oath has been administered to you and the consequences of giving false statement on oath have been explained to you and understood by you?

19/10/19
D.SANKAR GANESH, IRS.
Deputy Director of Income Tax (Inv.)

19/10/2019

Ans: I confirm that oath has been administered and I will tell only truth. I also confirm that consequences of giving false statements have been explained to me.

Q.3. You are reminded that this statement is being recorded on oath and you have been made aware about the consequences of giving false statement on oath including penalties u/s 179 of IPC, Section 180 of IPC, Section 277A of I.T. Act.

Section 179 of IPC: Refusing to answer question.

Section 181 of IPC: False statement on oath.

Section 180 of IPC: Refusing to sign the statement.

Section 277A of Income tax Act, 1961: Enabling others to evade taxes.

Ans. I confirm that I have been made aware about the consequences of false statement on oath and about other penal provisions.

Q.4. Please provide the details of source of your income? Are you filing Income-tax returns regularly?

Ans. My only source of income is Salary from M/s.Golden Shelters Pvt Ltd. I am receiving salary of Rs.1,05,000/- per month. Apart from that I do not have any other source of income. I have filed my IT returns till AY 2019-20.

Q.5. Please state your roles and responsibilities in M/s.Golden shelters Pvt ltd?

Ans. Sir, I am reporting to Shri N K V Krishnan, Chairman of M/s. Golden shelters Pvt ltd. Even though I am an employee of M/s.Golden shelters Pvt Ltd(GSPL), I am looking after the accounts of all the group concerns of M/s.GSPL and Shri N K V Krishna and other concerns which are notified by Shri N K V Krishna. I am taking care of verification of voucher, Bank Balance and cheque payments. I was being Assisting Shri T N Rajendran, CA for filing

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Income-tax returns and appearing before IT Authorities with regard to M/s. Golden shelters Pvt ltd and other concerns.

QNo.6. Please provide the details of all the group concerns of M/s.GSPL and Shri N K V Krishna and other concerns notified by Shri N K V Krisha which stated by you in response to earlier question ?

Ans: Sir, There are total 137 companies for which I am maintaining the books of accounts. The companies were grouped as below:

Limited companies, Section-25 companies

Private Limited Companies, Agriculture Companies

Transend Group companies, New Comapanies

Trusts,Limited Liability Partnership

White Lotus Solar Group

I am furnishing the list of total 137 concerns which are attached as **Annexure VI.**

QNo.7. Whether the list of 137 concerns submitted in response to earlier question are related concerns of M/s.GSPL & Shri N K V Krishna?

Ans: Sir, 64 companies which are under the head 'AGRICULTURE COMPANIES' are not related to M/s.GSPL & Shri N K V Krishna concerns. Apart from that all other concerns are related to M/s.GSPL & Shri N K V Krishna. Our related concerns are giving loans to Agriculture companies and converting it as preferential shares.

QNo.8. In response to earlier questions, you have stated that you are receiving salary from M/s.GSPL. However, you are maintaining books of accounts of 137 companies as stated above. Please comment on the same.

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Ans: Yes sir even though I am getting salry from M/s.GSPL, I am maintaing Books of accounts of 137 companies including Agriculture companies based on the instructions of my chairman Shri N K V Krishna. My boss has stated to me that the he has invested and acquired land in the name of 64 Agriculture companies through share holders some of which are faculty of the training programmes conducted by M/s.GSPL.

QNo.9. During the course of search proceedings conducted at the office premises at No.46/2, Naickenmar Street, West Mambalam, Chennai, it is found that you have maintained the Tally data of 64 Agriculture companies wherein it was identified that there were cash deposits and introduction of share application money in these 64 companies. Please explain the source of the same.

Ans: Yes sir, I confirm that there are cash deposits and introduction of share application money in these 64 companies. The source for the cash deposits are the unaccounted cash introduced as unsecured loans in the respective companies which amounts to **Rs.29.72 crore (Rs.9.36 and 20.36 crore)** and the same is attached as **Annexure II & III.**

Earlier, the land was acquired in the name of faculty members of training program conducted by M/s.GSPL for which sale consideration was paid in cash by Shri N K V Krishna. Subsequently, the same land was transferred into the names of 16 Agricultural companies without paying any sale consideration and the same was introduced as share application money of the seller. Later on, the same share application money has been converted as preferential shares in the names of concerns of Shri N K V Krishna, which amounts to **Rs.11.16 crore** and the details of which are attached as **Annexure I**.

I agree that the above mentioned total amounts of **Rs.40.88 crore (Rs.29.72 + Rs. 11.16 crores)** are the unaccounted investments in these Agriculture companies.

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QNo.10. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006, it is found that you are maintaining books of accounts other than the 64 "Agriculture companies" wherein it is noticed that you have introduced cash into these companies as unsecured loans. Please go through and confirm and also furnish the source of the same.

Ans: Yes sir, I confirm that there are cash deposits in the above companies booked as unsecured loans/other liabilities. The source for the cash deposits are the unaccounted cash of Shri N K V Krishna and his related concerns and introduced as unsecured loans in the respective companies which amounts to **Rs.21.03 crore** and the same is attached as **Annexure IV.**

QNo.11. In response to QNo.9 & 10, you have stated that Rs.50.75 crore (Rs.29.72 crore + Rs.21.03 crore) of cash has been introduced as unsecured loans/ land advance. Please explain the source of the same.

Ans: Yes sir, I agree that Rs.50.75 crore of cash is introduced as unsecured loans/land advance. The source of the same was from the unaccounted course fee received in the training programme conducted by M/s.GSPL and related concerns. Shri Badri Narayana Chowdary and Shri N K V Krishna will be able to properly explain the source of the same.

QNo.12. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006, it is found that M/s.Golden Shelters Pvt Ltd is having Bank account maintained with HDFC Bank with account number 50200004390912 and the same was not reflecting in the books of accounts of M/s.GSPL or any other related concerns. The receipts were entered in the books of accounts of M/s.GSPL in the ledger of 'Golden' and the total receipts reflecting in the 'Golden' ledger amounts to Rs.115.43 crore for the period 21.02.2014 to 27.03.2017 (Annexure V).

When the same was confronted with Shri V Srinivasan, Assistant Manager-Accounts, M/s.GSPL, he has stated in his sworn statement dated 19.10.2019 that as per your instructions (Shri N Saravana Kumar, Accounts-Manager), the ledger entries were made by him in the name of 'Golden' and the receipts are not reflected in any books of accounts. Please go through and comment on the same.

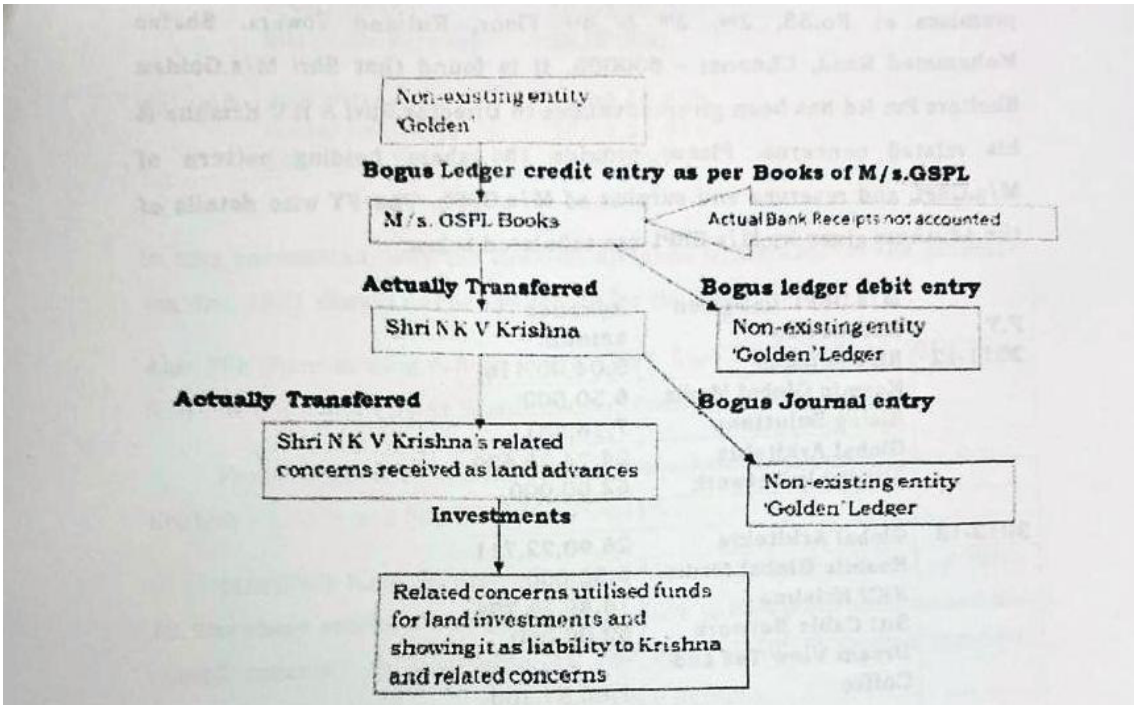
Ans: Yes sir, the receipts of **Rs.115.43 crore as per Bank book** of the account number 50200004390912 maintained with HDFC Bank is not reflecting in the books of accounts of M/s.GSPL or any other related concerns and the same was entered as ledger under name 'Golden' in the books of accounts of M/s.GSPL. As per the direction of Shri N K V Krishna, I have instructed Shri V Srinivasan to make the ledger credit & debit entries in the name of 'Golden' in the books of M/s.GSPL. However, no such entity 'Golden' is existing. The modus is that for the credit entries in the name of 'Golden' with regard to receipts of the above mentioned bank account. There will be one debit entry in the name of 'Golden'. However, the money was being transferred to Shri N K V Krishna. In turn Shri N K V Krishna used this amount as investment in the related concerns (137 companies) mentioned above. In these total transaction, at the end of the year the net of debit & credit in the name of 'Golden' will become 'NIL' which is not reflecting in the Balance sheet. I submit that all the receipts in the above mentioned bank account are not reflecting in the books of accounts of M/s.GSPL or any other related concerns.

QNo.13. In response to earlier Question, you have stated that the unaccounted money were transferred to Shri N K V Krishna by making ledger entry with the non-existing entity 'Golden'. Please explain the final utilisation of the funds by Shri N K V Krishna and also explain the modus opernadi of bogus ledger entries?

Ans: The modus operandi of book entries and utilisation of funds is as follows:

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QNo.14. In reply to Q.Nos. 9 to 12, you have stated that Total of Rs.177.34 crore (Rs.40.88 + 21.03 + 115.43crore) is unaccounted receipt of M/s.GSPL. In this connection, why the same should not be treated as unaccounted income of M/s.GSPL for the respective financial years.

Ans: Yes sir, I agree that I have stated that Rs.177.34 crore is unaccounted receipt of M/s.GSPL, the same is unaccounted income in the hands of M/s.GSPL for the respective financial years. The same was not accounted in the books of accounts as per the instruction of Shri N K V Krishna.

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QNo.15. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006, it is found that Shri M/s.Golden Shelters Pvt ltd has been given advances to Director Shri N K V Krishna & his related concerns. Please provide the share holding pattern of M/s.GSPL and reserves and surplus of M/s.GSPL. The FY wise details of the advances given by M/s.GSPL are tabulated below.

F.Y	M/s.GSPL has given Advance to	Advance amount
2011-12	NKV Krishna	5,04,00,416
	Kosmic Global Media	6,50,000
	Rising Solutions	7,16,451
	Global Arkitekts	24,24,28,620
	Siti Cable Network	52,00,000
2012-13	Global Arkitekts	26,90,22,711
	Kosmic Global Media	6,50,000
	NKV Krishna	14,89,34,794
	Siti Cable Network	52,00,000
	Dream View Tea and Coffee	1,60,57,100
2013-14	NKV Krishna	33,34,41,684
	Dream View Tea and Coffee	2,48,22,100
	Siti Cable Network	52,00,000
	Global Arkitekts	19,50,22,711
2014-15	NKV Krishna	50,31,31,326
	Global Arkitekts	19,50,22,711
	Siti Cable Network	52,00,000
2015-16	NKV Krishna	42,87,52,609
	Global Arkitekts	14,62,72,711
	Abhi Paisa Investment	16,00,39,000
	Siti Cable Network	52,00,000
2016-17	NKV Krishna	38,63,08,692

N. Srinivasan
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	Global Arkitekts	14,62,72,711
	Abhi Paisa Investment	16,00,39,000
	Siti Cable Network	52,00,000
2017-18	NKV Krishna	91,99,15,030
	Global Arkitekts	18,12,22,711
	Siti Cable Network	52,00,000

In this connection, why the deemed dividend u/s.2(22)(e) of the Income-tax Act, 1961 should not be applicable for the same ?

Ans: The share holding pattern of M/s.GSPL from FY 2010-11 to 2015-16 is Shri N K V Krishna – 94.44 % and Smt K Preetha - 5.56 %.

From FY 2016-17 to 2018-19, the share holding pattern is Shri N K V Krishna - 5.56 % and Smt K Preetha – 94.44 %.

M/s.GSPL have the Reserves and surplus from the FY 2010-11 to 2018-19. The above amounts were given by M/s.GSPL to Shri N K V Krishna and his related concerns as land advances. The applicability of deemed dividend u/s.2(22)(e) may be discussed with Shri N K V Krishna.

Q16. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006, it is found that M/s.GSPL has taken loans and paid interest to Banks and it is also found that Shri M/s.Golden Shelters Pvt ltd has given huge advances/loans to Director Shri N K V Krishna and its associated concerns without interest. The FY wise details of the same are tabulated below:

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F.Y	M/s.GSPL has given Advance to	Advance amount	Interest and commission paid	Loan taken from	Loan Amount
2011-12	NKV Krishna	5,04,00,416	50,95,458	Bank OD a/c	3,16,44,143
	Kosmic Global Media	6,50,000			
	Rising Solutions	7,16,451			
	Global Arkitekts	24,24,28,620			
	Siti Cable Network	52,00,000			
2012-13	Global Arkitekts	26,90,22,711	5,21,66,673	Bank OD a/c	50,72,26,343
	Kosmic Global Media	6,50,000			
	NKV Krishna	14,89,34,794			
	Siti Cable Network	52,00,000			
	Dream View Tea and Coffee	1,60,57,100			
2013-14	NKV Krishna	33,34,41,684	7,30,46,776	Bank OD a/c	54,16,34,801
	Dream View Tea and Coffee	2,48,22,100			
	Siti Cable Network	52,00,000			
	Global Arkitekts	19,50,22,711			
2014-15	NKV Krishna	50,31,31,326	7,42,05,529	Bank OD a/c	76,54,32,981
	Global Arkitekts	19,50,22,711			
	Siti Cable Network	52,00,000			
2015-16	NKV Krishna	42,87,52,609	8,93,74,790	Bank OD a/c	74,14,62,198
	Global Arkitekts	14,62,72,711			
	Abhi Paisa Investment	16,00,39,000			
	Siti Cable Network	52,00,000			
2016-17	NKV Krishna	38,63,06,692	8,83,95,337	Bank OD a/c	101,60,46,811
	Global Arkitekts	14,62,72,711			
	Abhi Paisa Investment	16,00,39,000			
	Siti Cable Network	52,00,000			
2017-18	NKV Krishna	91,99,15,030	10,25,00,067	Bank OD a/c	95,62,88,779
	Global Arkitekts	18,12,22,711			
	Siti Cable Network	52,00,000			

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In view of the above, please explain why the proportionate portion of interest paid should not be disallowed in the hands of M/s.GSPL?

Ans: Yes sir, I agree that M/s.GSPL has taken huge loans and paid interest for the same to the banks. Also, M/s.GSPL has given advance/loans to director Shri N K V Krishna and his related concerns without any interest. The proportionate interest payments may be disallowed as per the Income-tax Act, 1961.

QNo.17. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai - 600006, it is found that Shri M/s.Prajit Foundation Pvt ltd has been given advances to Director Shri N K V Krishna. Please provide the share holding pattern of M/s.Prajit and reserves and surplus of M/s. Prajit. The FY wise details of the advances given by M/s. Prajit are tabulated below.

FY	AY	M/s. Prajit has given Advance to	ADVANCE AMOUNT
2011-12	2012-13	NKV Krishna for property	27,80,541
2012-13	2013-14	NKV Krishna for property	7,11,98,617
2013-14	2014-15	nil	nil
2014-15	2015-16	nil	nil
2015-16	2016-17	NKV Krishna for property	23,68,54,074
2016-17	2017-18	NKV Krishna for property	28,89,46,670
2017-18	2018-19	NKV Krishna for property	24,84,10,834

In this connection, why the deemed dividend u/s.2(22)(e) of the Income-tax Act, 1961 should not be applicable for the same ?

Ans: The share holding pattern of M/s.Prajit foundation pvt ltd from FY 2010-11 to 2015-16 is Shri N K V Krishna - 50 % and Smt K Preetha - 50%.

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From FY 2016-17 to 2018-19, the share holding pattern is Shri N K V Krishna – 8 % and Smt K Preetha – 92 %.

M/s.Prajit foundation has the Reserves and surplus from the FY 2010-11 to 2017-18. The above amounts were given by M/s.Prajit to Shri N K V Krishna as land advances. The applicability of deemed dividend u/s.2(22)(e) may be discussed with Shri N K V Krishna.

QNo.18. During the course of search proceedings in the premise of Ekam office at Varadayapalem, Chittor district of Andhra Pradesh, based WhatsApp conversion between you and Shri E Lokeshwara in the mobile phone of Shri E Lokeshwara, cash on-money payments made by Shri N K V Krishna and his related concerns tabulated below which amounting to Rs.25.99 crore for the purchase of the property and the same is reproduced below:

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Please go through and confirm the same. Also explain the source of the above mentioned on-money cash payments of Rs.25,99,39,250/-. Further, please provide the details of the persons who have handed over the on-money payments to the sellers?

Ans: Yes sir. Myself and E Lokeswara were discussed the on-money cash payments made through WhatsApp in order to check the correctness of the total payments (Cheque and cash) and inform the same to Shri N K V Krishna . I confirm that on-money payments were made to the above sellers for the purchase of properties in the name of related concerns of Shri N K V Krishna. The source of the above on-money payments amounting Rs.25,99,39,250/- are unaccounted receipts of Shri N K V Krishna and M/s.GSPL.

The on-money payments were handed over to sellers through Shri Badri Narayan Chowdary and Shri E Lokeswara.

QNo.19. During the course of search proceedings at the premise of New No 46/2, first floor, Naickanmar Street, West Mambalam, Chennai-600033, Shri S Karthikeyan, Advocate Assistant has stated in his sworn statement that related conrns of Shri N K V Krishna has made on-money payments to the tune of Rs.6,40,24,500/- to the various sellers and received on-money cash for the sale of properties of related concerns of Shri N K V Krishna to the tune of Rs.6,40,06,000/- and the details of the same are attached as Annexure VII. Please go through and explain the source of on-money payments and whereabouts of the on-money receipts?

Ans: Sir, I have gone through the on-money payments & receipts details given by Shri S Karthikeyan, Advocate- Advocate Assistant which were maintained by him based on the instruction of Shri E Lokeshwara. To my knowledge, there was no on-money cash payment made to M/s.Marg Ltd. I confirm that other on-money cash payments to the tune of Rs.6,13,47,700/- (64024500 - 2676800) were made to the sellers and amount to the tune of Rs.6,40,06,000/-

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were received as on money receipts for the sale of properties by related concerns of Shri N K V Krishna.

The source of on-money payments are mostly the unaccounted receipts of M/s.GSPL. However, Shri Badri Narayana Chowdary & Shri N K V Krishna knows the source of on-money payments and whereabouts of on-money cash receipts.

QNo.20. In response to earlier question, you have stated that related concerns of Shri N K V Krishna is in practice of on-money cash payments for the purchase of property and on-money cash receipts for the sale of properties. In this regard, please provide the details of all the on-money cash payments made by related concerns of Shri N K V Krishna and also on-money cash receipts for the property transactions from FY 2012-13 to till date.?

Ans: I am not in possession of full details of on-money cash payments and on-money cash receipts. Shri Badri Narayan Chowdary is generally making on-money cash payments for the purchase of properties by related concerns of Shri N K V Krishna and on-money cash receipts for the sale of properties. Shri Badri Narayan Chowdary and Shri N K V Krishna will be able to provide all the on-money cash payments & receipts details.

QNo.21. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006, it is found from the mail communication and discussion between you and Smt Radhika Saravanan(forwarded email of Angee) that clients from outside India are attending courses offered by M/s.GSPL and related concerns. Further, it is noticed that the course fee were paid outside India, out of which only part amount has been sent to India and huge amount retained abroad. Please explain why the huge amount was retained outside India even though the

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services were rendered in India? And also provide the details of actual receipts outside India and amounts retained outside India?

Ans: Sir, I have discussed with Smt Radhika Saravanan with regard to email forwarded by Angee. I agree that some amounts of receipts outside India were retained abroad and part amounts were sent to India based on the agreement signed between our Indian concerns and third party concerns outside India.

Earlier related concern of Shri N K V Krishna, M/s.One World Academy having agreement with M/s.OWA Global and currently M/s.KPL Assets LLP is having agreement with M/s.Expensive Events Inc, USA. The details of amounts collected outside India and amounts retained outside India is attached as **Annexure VIII.** The **amounts retained outside India** out of receipts outside India amounting to **Rs.29,66,19,828/-.**

I submit that all the services were rendered in India. The applicability of tax for the amounts retained outside India may be discussed with Shri N K V Krishna.

QNo.22. Please provide the cash-in-hand as per the cash book maintained by you as on today for M/s.GSPL and related concerns of Shri N K V Krishna?

Ans: Sir, out of the total concerns list provide by me in response to previous questions, only 11 concerns are actively in the business and the **cash Balance** for which amounting to **Rs.2,19,888/-** as on today (**11 concerns**). The break-up of which is submitted as **Annexure IX**. Even though there were small cash balances entry in every other concerns, actually there is no cash balance available.

QNo.23. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006, the books of accounts of M/s.KPL Assets LLP found and noticed that the gross receipts of M/s.KPL Assets

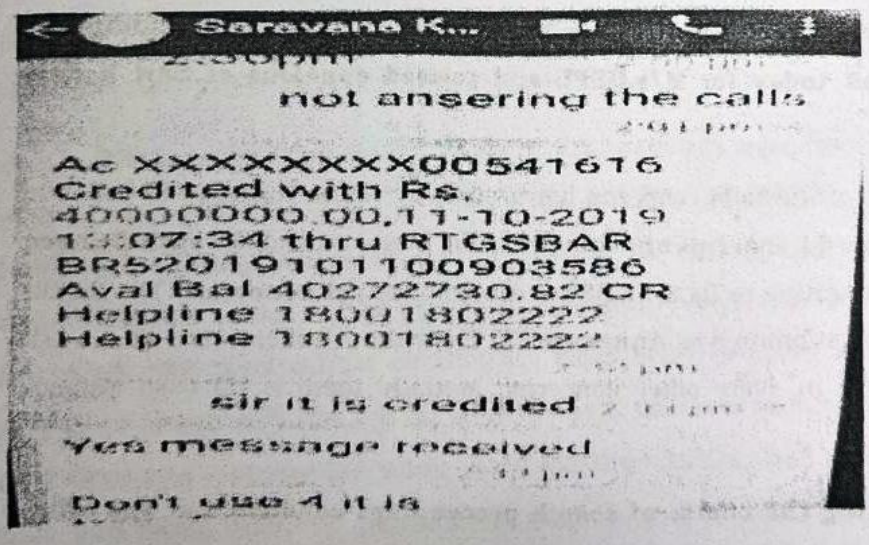
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for the FY 2018-19 is Rs.29.82 crore and net profit is Rs.26.12 crore. However, the return for the same has not filed till date and not paid the Advance tax. Please explain the reasons why return of M/s.KPL Assets LLP for the AY 2019-20 has not filed and also state any other expenses to be booked in the books of accounts?

Ans: Yes sir, I agree that as per the P& L account of M/s.KPL Assets LLP, the net profit is Rs.26.12 crore. The receipts of M/s.KPL Assets LLP were immediately transferred to Shri N K V Krishna. Due to non-availability of funds, we have not paid the Advance tax. However, we will file the return before the due date 31.10.2019 by paying Self-Assessment tax. All the related expenses have already been booked in the books of accounts of M/s.KPL Assets LLP.

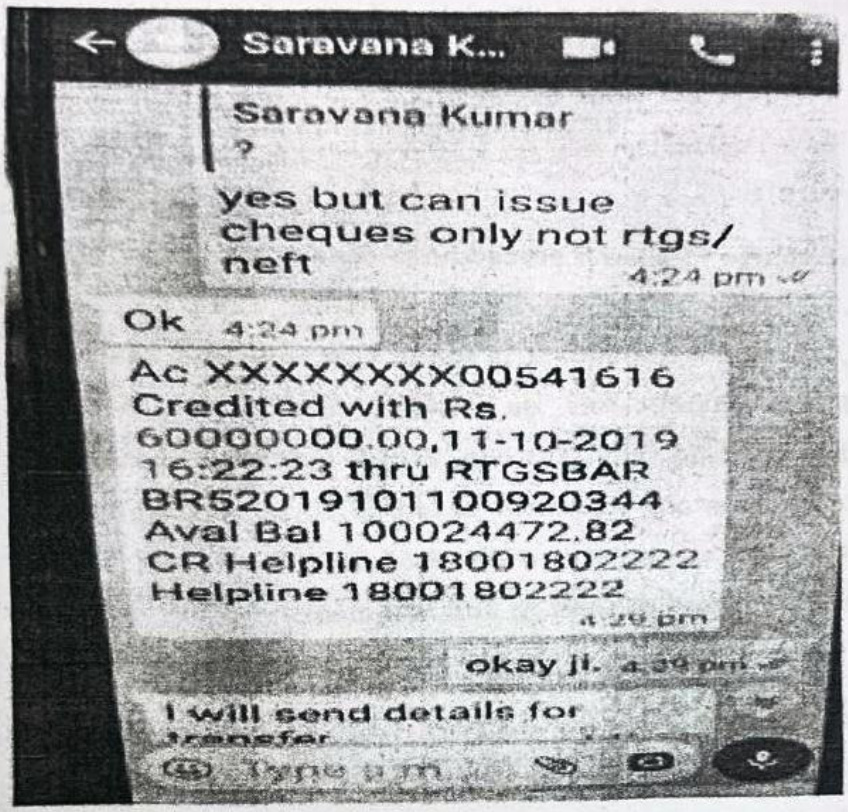
Q24. During the course of search proceedings at the Hyderabad premises, WhatsApp conversation between you and Shri Ramachandra Raju was found from the Mobile of Shri Ramachandra Raju. It contains the Bank credit messages forwarded by you, the same is attached below:



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N. [illegible] 20/10/19

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Please go through the above and explain the source and utilisation of the same. Also explain whether the above transactions are reflected in the books of accounts?

Ans: Sir, I have gone through the above WhatsApp screen shots. I confirm that the above Bank credit messages were forwarded by me to Raju. The above amounts were credited to the bank accounts of M/s.WL Structures Pvt Ltd with the knowledge of Shri Ramachandra Raju. On request of Shri Ramachandra Raju, I have sent the bank credit confirmation to him. However, I do not know the source of the same. Shri Ramachandra Raju & Shri N K V Krishna will be able to explain the source of the same. However, the above transactions are not entered into the books of accounts till date.

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Upon receipt of the Rs.10 crore, the amounts were transferred to M/s. WL Infrastructure Pvt ltd & M/s.Kurral Infra Pvt Ltd Rs.5 crore each, which in turns transferred to M/s. UVARC (Asset Reconstruction Company), New Delhi for investing in equity shares.

QNo25. During the course of search proceedings conducted at the office premises at No.33, 2nd, 3rd & 4th Floor, Rutland Towers, Shafee Mohammed Road, Chennai – 600006, it is found that dividend has been paid by M/s.GSPL to shareholders on various dates and Dividend Distribution Tax has not paid fully. Further, Shri V Srinivasa, Assistant Manager- Accounts in his sworn statement dated 19.10.2019 stated that Dividend Distribution Tax amounting to Rs. 1,66,00,089/- is yet to be paid to the Government. Please go through and comment.

Ans: Yes sir, I confirm that M/s.GSPL had paid the Dividend to the shareholders on various dates and part of the DDT corresponding to dividend has been and Rs.1,66,00,089/- corresponding to FY 2014-15 is yet to be paid to the government.

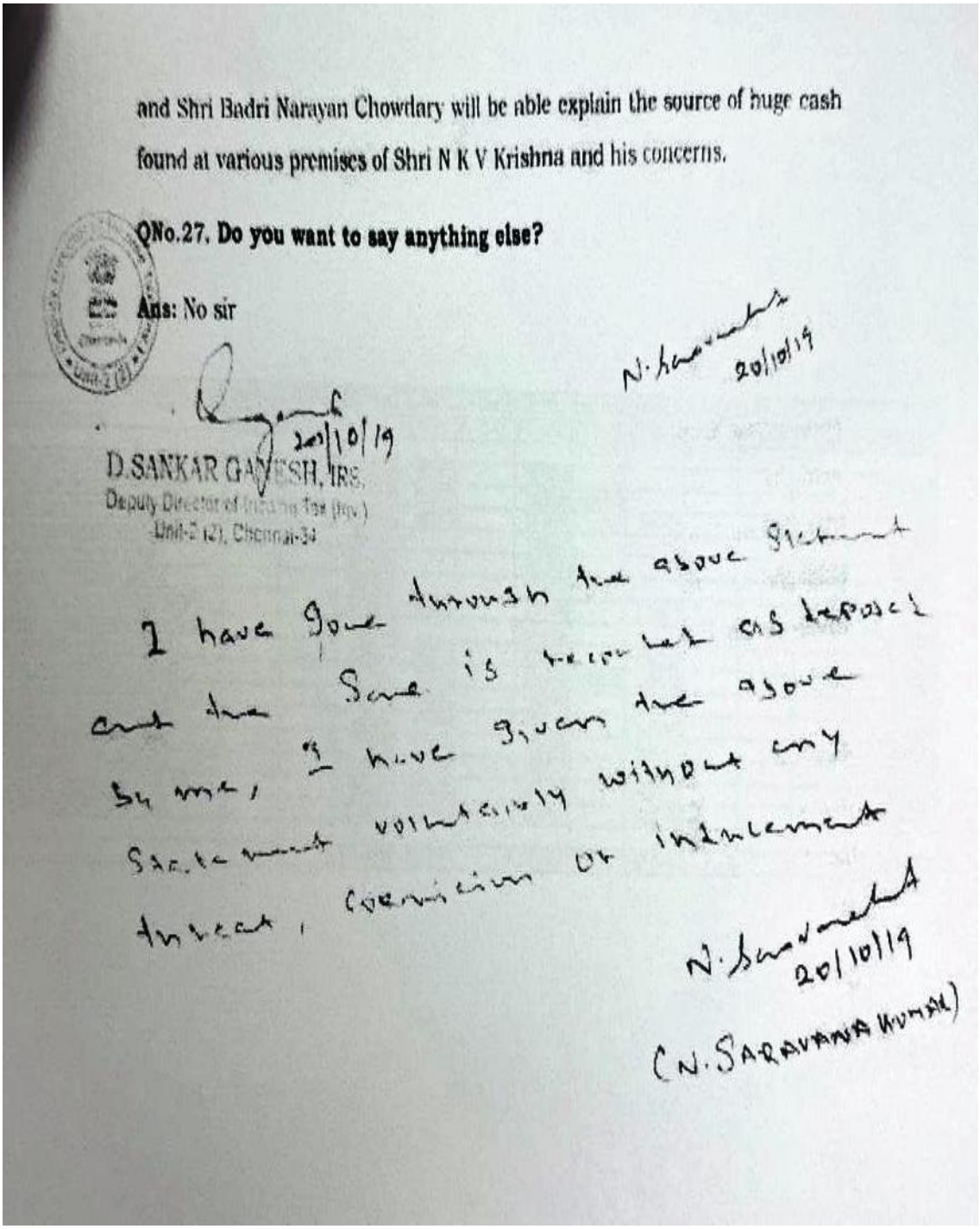
QNo.26. During the course of search proceedings conducted on 16.10.2019 in the case of Shri N K V Krishna and related concerns, at various places huge amounts of cash in Indian currency and Foreign currency were found. However, as per the books of accounts the cash balance of all the active 11 concerns as on today is Rs.2.19 Lakh. In this connection, please explain how these huge amounts of cash were generating in the business of M/s.GSPL and related concerns of Shri N K V Krishna? Also please explain whether you have any authorisation to receive the foreign currency directly from clients for the training programmes conducting by M/s.GSPL and related concerns?

Ans: Sir, as I stated earlier the cash balance of M/s.GSPL and related concerns of Shri N K V Krishna as on today is Rs.2.19 lakh. I do not know how the huge amounts of cash were existed in various premises. Shri N K V Krishan

20/10/19

20/10/19

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and Shri Badri Narayan Chowdary will be able explain the source of huge cash found at various premises of Shri N K V Krishna and his concerns.

QNo.27. Do you want to say anything else?

Ans: No sir

N. Saravanakumar 20/10/19

20/10/19

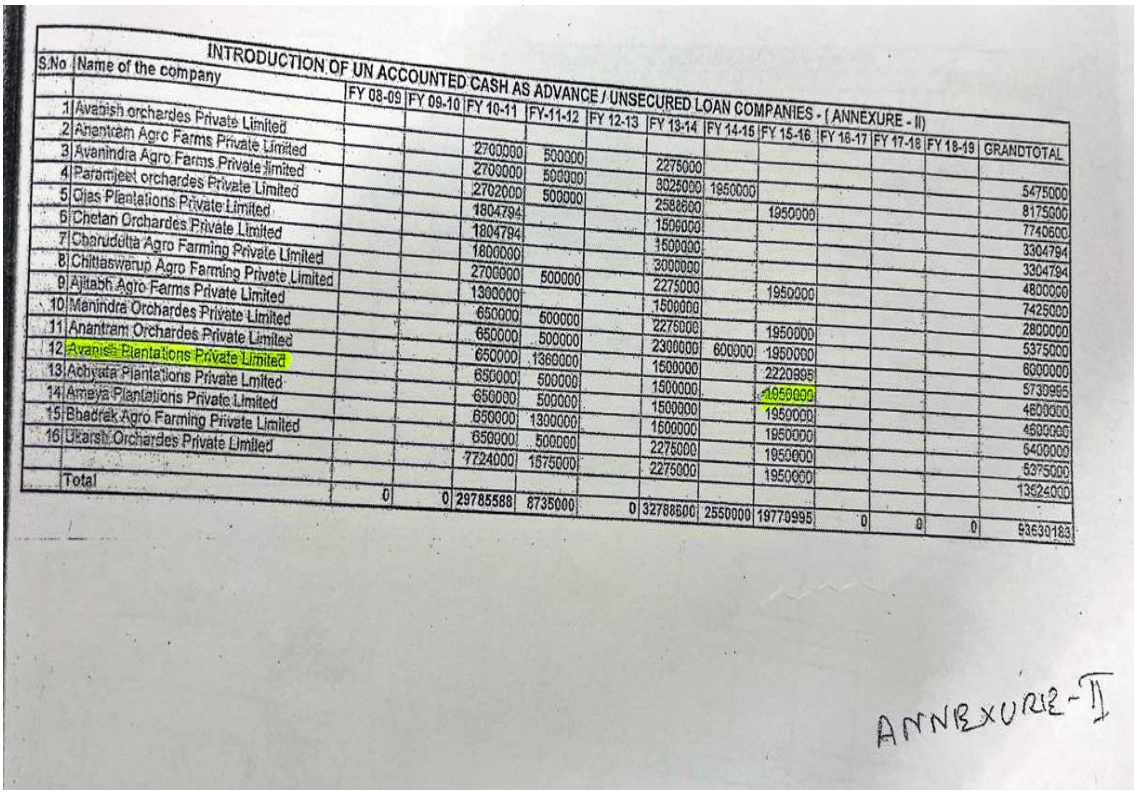
D.SANKAR GANESH, IRS.
Deputy Director of Income Tax (Inv.)
Unit-2 (2), Chennai-34

I have gone through the above statement and the same is recorded as deposed by me. I have given the above statement voluntarily without any coercion or inducement or inducement.

N. Saravanakumar
20/10/19

(N. SARAVANA KUMAR)

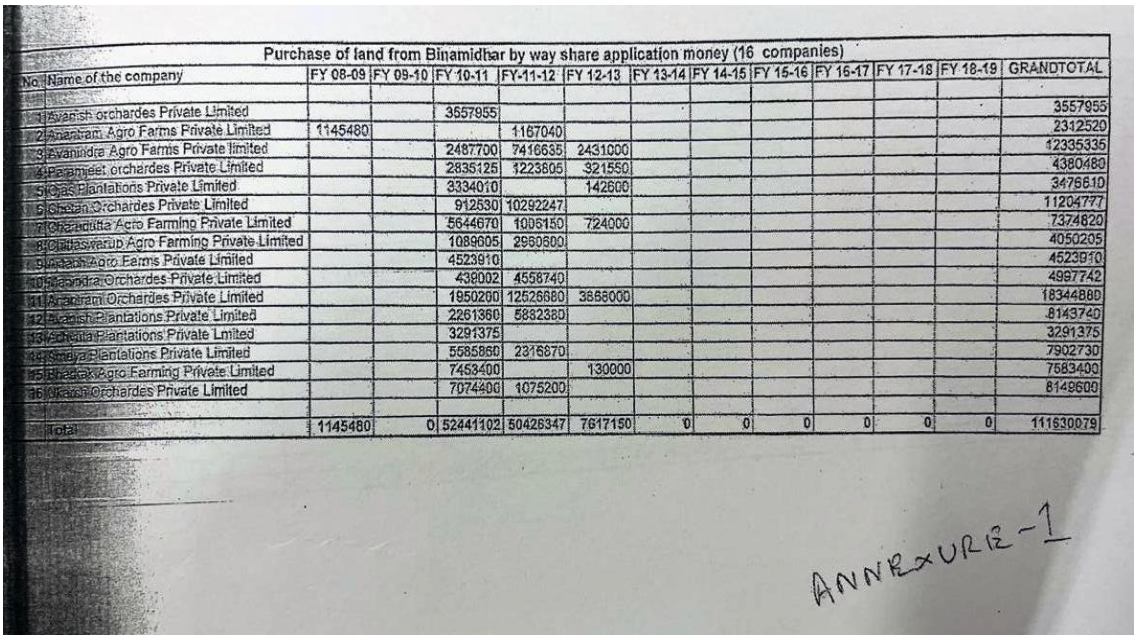
3.8 Annexure II & III are as under: -



INTRODUCTION OF UN ACCOUNTED CASH AS ADVANCE / UNSECURED LOAN COMPANIES - (ANNEXURE - II)

S.No	Name of the company	FY 08-09	FY 09-10	FY 10-11	FY-11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	GRANDTOTAL
1	Avanish orchardes Private Limited			2700000	500000		2275000						5475000
2	Anantram Agro Farms Private Limited			2700000	500000		3825000	1950000					8175000
3	Avanindra Agro Farms Private limited			2702000	500000		2588600		1950000				7740600
4	Paramjeet orchardes Private Limited			1804794			1500000						3304794
5	Ojas Plantations Private Limited			1804794			1500000						3304794
6	Chetan Orchardes Private Limited			1800000			3000000						4800000
7	Chandulta Agro Farming Private Limited			2700000	500000		2275000		1950000				7425000
8	Chittaswarup Agro Farming Private Limited			1300000			1500000						2800000
9	Ajitabh Agro Farms Private Limited			650000	500000		2275000		1950000				5375000
10	Menindra Orchardes Private Limited			650000	500000		2300000	600000	1950000				6000000
11	Anantram Orchardes Private Limited			650000	1360000		1500000		2220995				5730995
12	Avanish Plantations Private Limited			650000	500000		1500000		1950000				4600000
13	Achyuta Plantations Private Limited			650000	500000		1500000		1950000				4600000
14	Ameya Plantations Private Limited			650000	1300000		1500000		1950000				5400000
15	Bhadrak Agro Farming Private Limited			650000	500000		2275000		1950000				5375000
16	Utkarsh Orchardes Private Limited			7724000	1675000		2275000		1950000				13624000
	Total	0	0	29785588	8735000	0	32788600	2550000	19770995	0	0	0	93630183

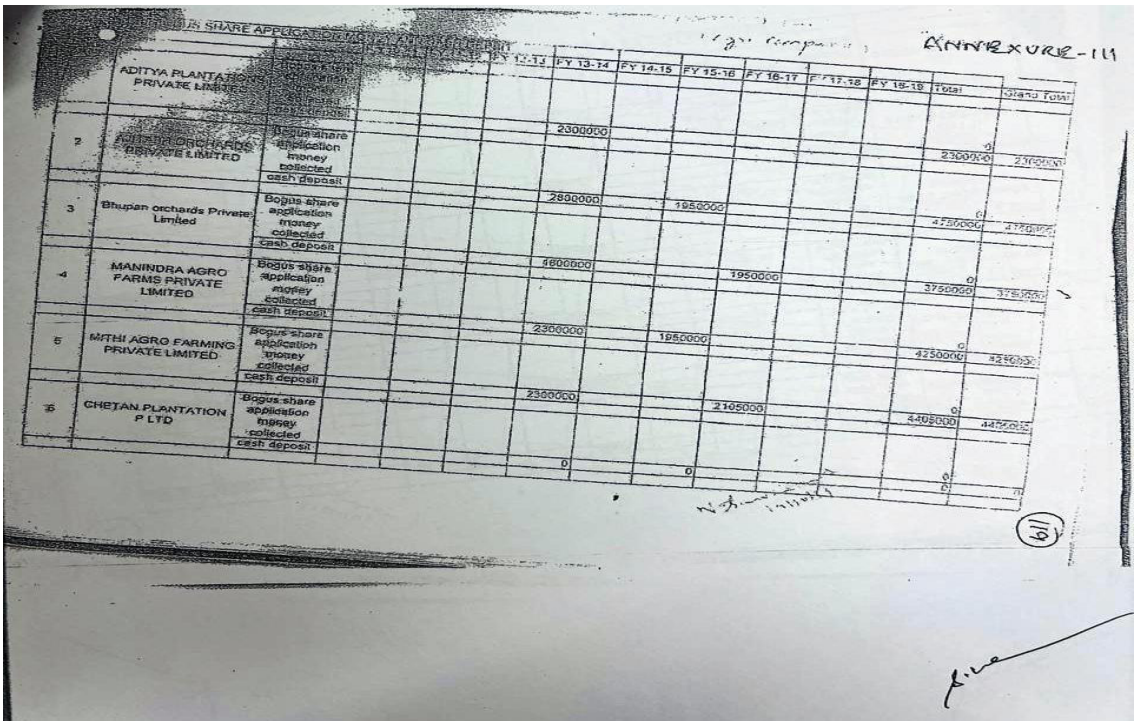
ANNEXURE-II



Purchase of land from Binamidhar by way share application money (16 companies)

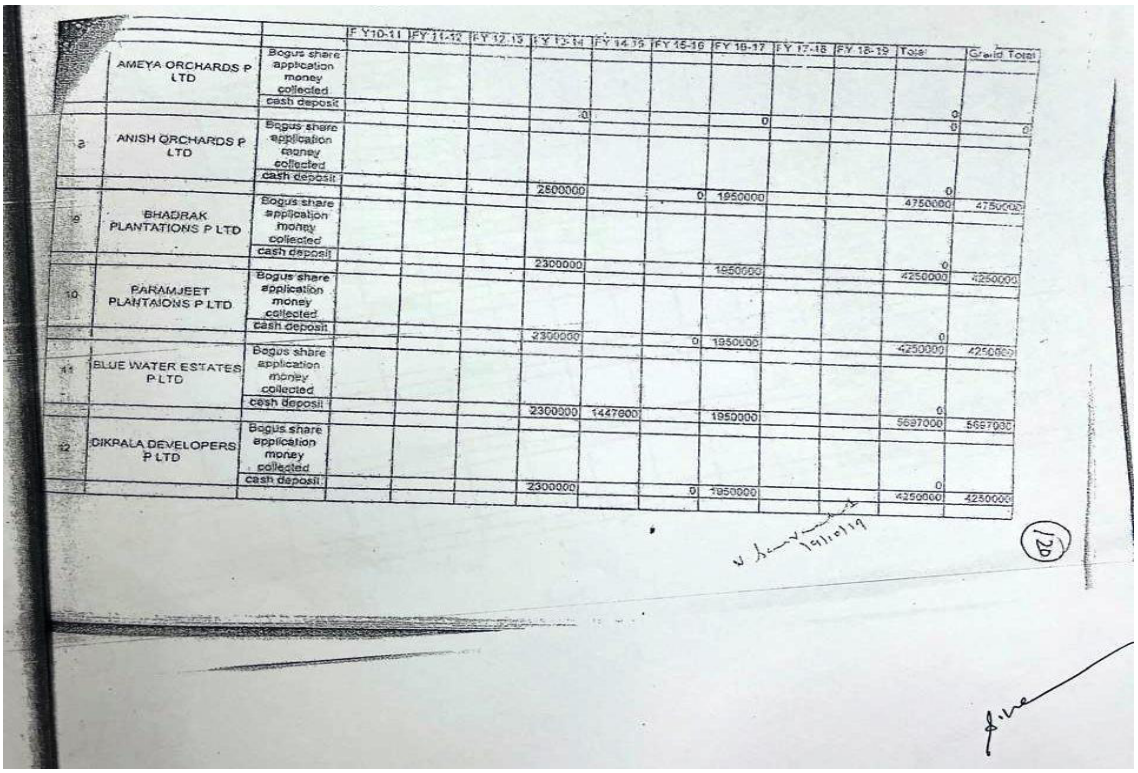
No	Name of the company	FY 08-09	FY 09-10	FY 10-11	FY-11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	GRANDTOTAL
1	Avanish orchardes Private Limited			3557955									3557955
2	Anantram Agro Farms Private Limited	1145480			1167040								2312520
3	Avanindra Agro Farms Private limited			2487700	7416635	2431000							12335335
4	Paramjeet orchardes Private Limited			2835125	1223805	321550							4380480
5	Ojas Plantations Private Limited			3334010		142600							3476610
6	Chetan Orchardes Private Limited			912530	10292247								11204777
7	Chandulta Agro Farming Private Limited			5644670	1095150	724000							7374820
8	Chittaswarup Agro Farming Private Limited			1089605	2960600								4050205
9	Ajitabh Agro Farms Private Limited			4523910									4523910
10	Menindra Orchardes Private Limited			439002	4558740								4997742
11	Anantram Orchardes Private Limited			1950200	12526680	3888000							18344880
12	Avanish Plantations Private Limited			2261360	5882380								8143740
13	Achyuta Plantations Private Limited			3291375									3291375
14	Ameya Plantations Private Limited			5585860	2316870								7902730
15	Bhadrak Agro Farming Private Limited			7453400		130000							7583400
16	Utkarsh Orchardes Private Limited			7074400	1075200								8149600
	Total	1145480	0	52441102	50426347	7617150	0	0	0	0	0	0	111630079

ANNEXURE-I

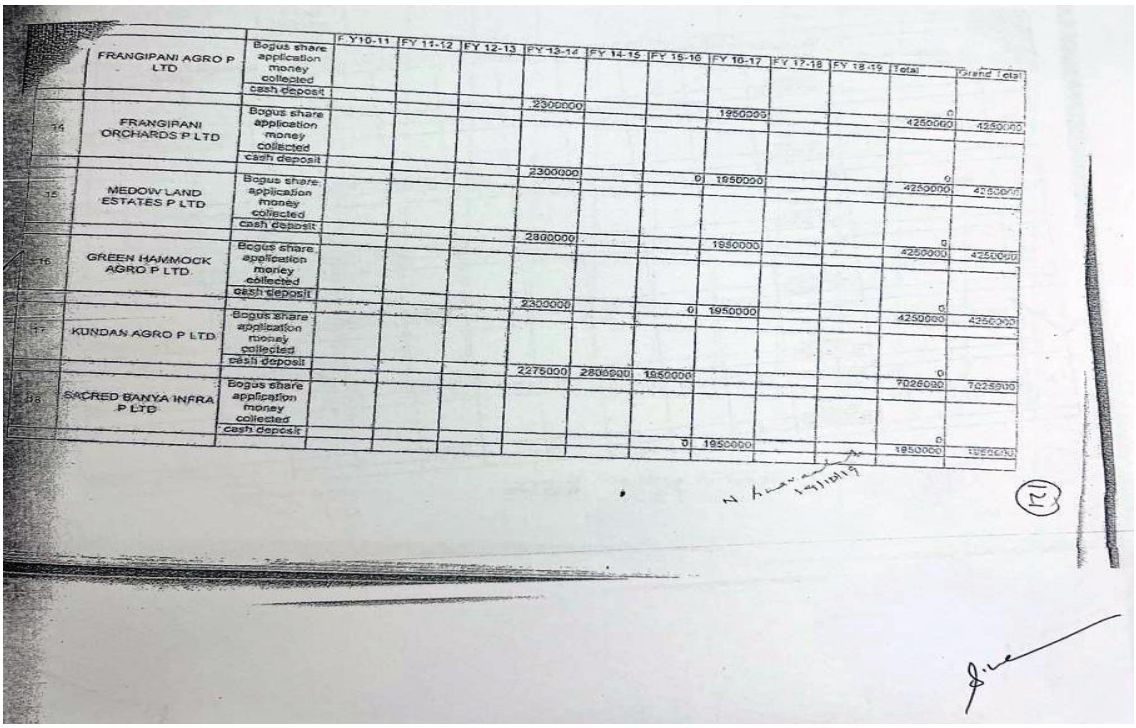


ANNEXURE-III

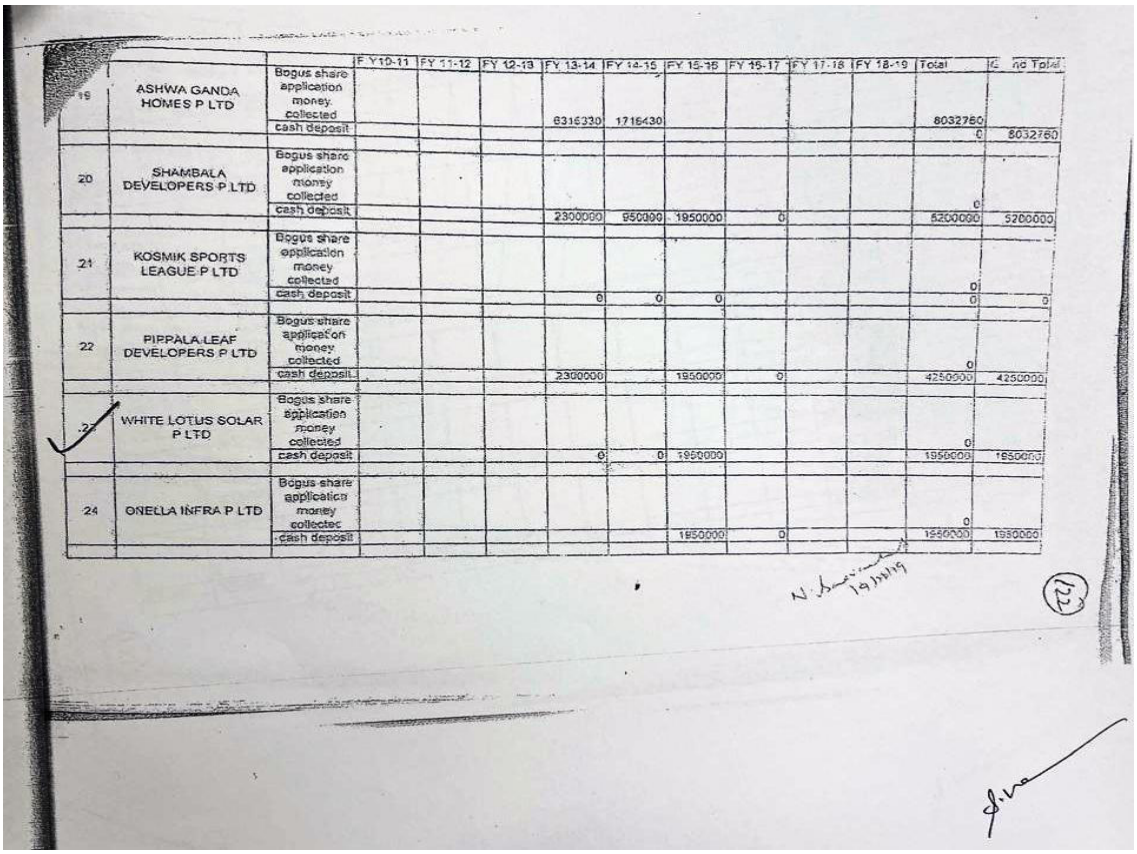
			FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Total	Grand Total
	ADITYA PLANTATIONS PRIVATE LIMITED	Bogus share application money collected											
		cash deposit											
2	ANISH ORCHARDS PRIVATE LIMITED	Bogus share application money collected				2300000						0	
		cash deposit										2300000	2300000
3	Bhupan orchards Private Limited	Bogus share application money collected				2800000		1950000				0	
		cash deposit										4750000	4750000
4	MANINDRA AGRO FARMS PRIVATE LIMITED	Bogus share application money collected				1800000			1950000			0	
		cash deposit										3750000	3750000
5	MITHI AGRO FARMING PRIVATE LIMITED	Bogus share application money collected				2300000		1950000				0	
		cash deposit										4250000	4250000
6	CHETAN PLANTATION P LTD	Bogus share application money collected				2300000			2105000			0	
		cash deposit										4405000	4405000
						0		0				0	



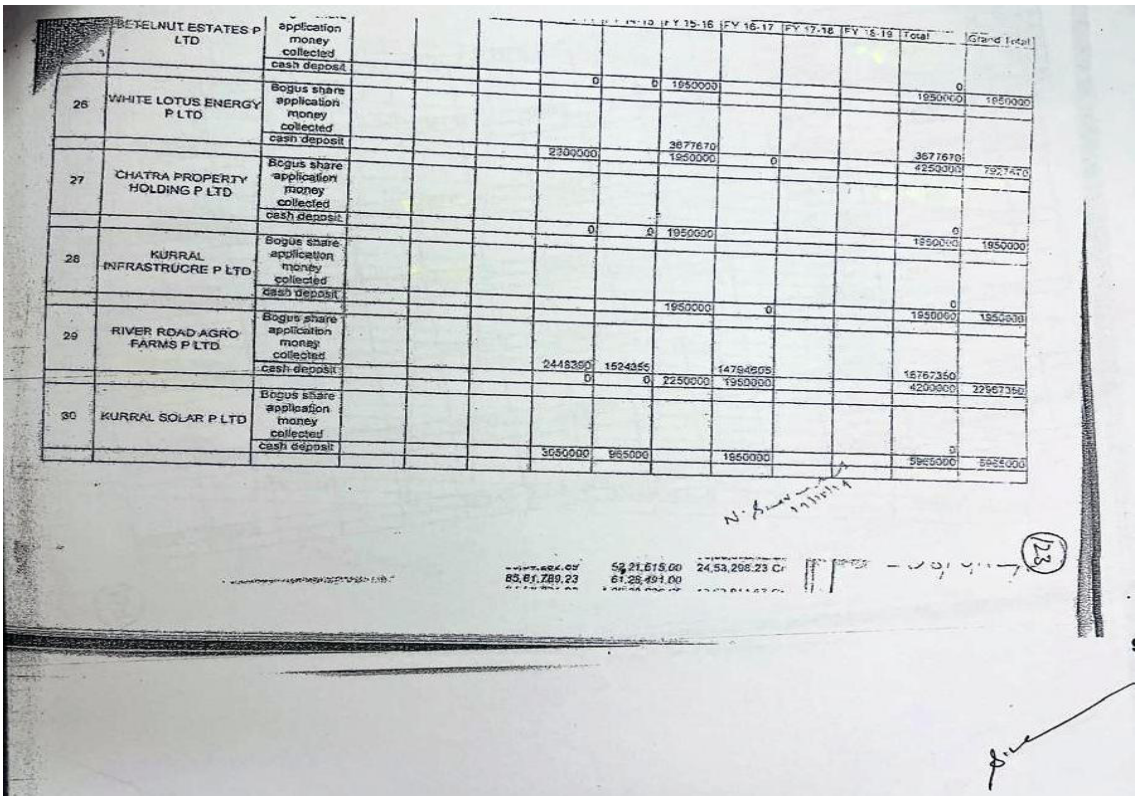
			FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Total	Grand Total
	AMEYA ORCHARDS P LTD	Bogus share application money collected											
		cash deposit				0			0			0	
8	ANISH ORCHARDS P LTD	Bogus share application money collected										0	0
		cash deposit				2800000		0	1950000			0	
9	BHADRAK PLANTATIONS P LTD	Bogus share application money collected										4750000	4750000
		cash deposit				2300000			1950000			0	
10	PARAMJEET PLANTATIONS P LTD	Bogus share application money collected										4250000	4250000
		cash deposit				2300000		0	1950000			0	
11	BLUE WATER ESTATES P LTD	Bogus share application money collected										4250000	4250000
		cash deposit				2300000	1447000		1950000			0	
12	DIKPALA DEVELOPERS P LTD	Bogus share application money collected										5697000	5697000
		cash deposit				2300000		0	1950000			0	
												4250000	4250000



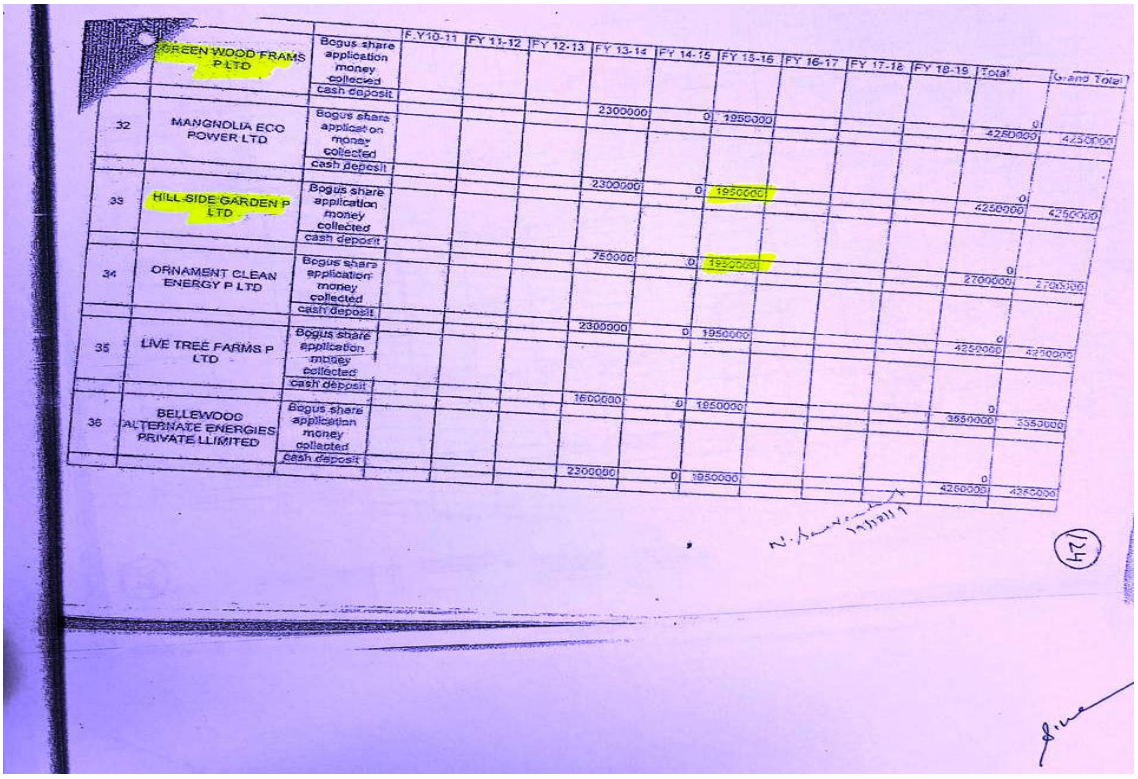
			F.Y10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Total	Grand Total
	FRANGIPANI AGRO P LTD	Bogus share application money collected											
		cash deposit				2300000			1950000			4250000	4250000
14	FRANGIPANI ORCHARDS P LTD	Bogus share application money collected											
		cash deposit				2300000		0	1950000			4250000	4250000
15	MEDOW LAND ESTATES P LTD	Bogus share application money collected											
		cash deposit				2300000			1950000			4250000	4250000
16	GREEN HAMMOCK AGRO P LTD	Bogus share application money collected											
		cash deposit				2300000		0	1950000			4250000	4250000
17	KUNDAN AGRO P LTD	Bogus share application money collected											
		cash deposit				2275000	2800000	1950000				7025000	7025000
18	SACRED BANYA INFRA P LTD	Bogus share application money collected											
		cash deposit						0	1950000			1950000	1950000



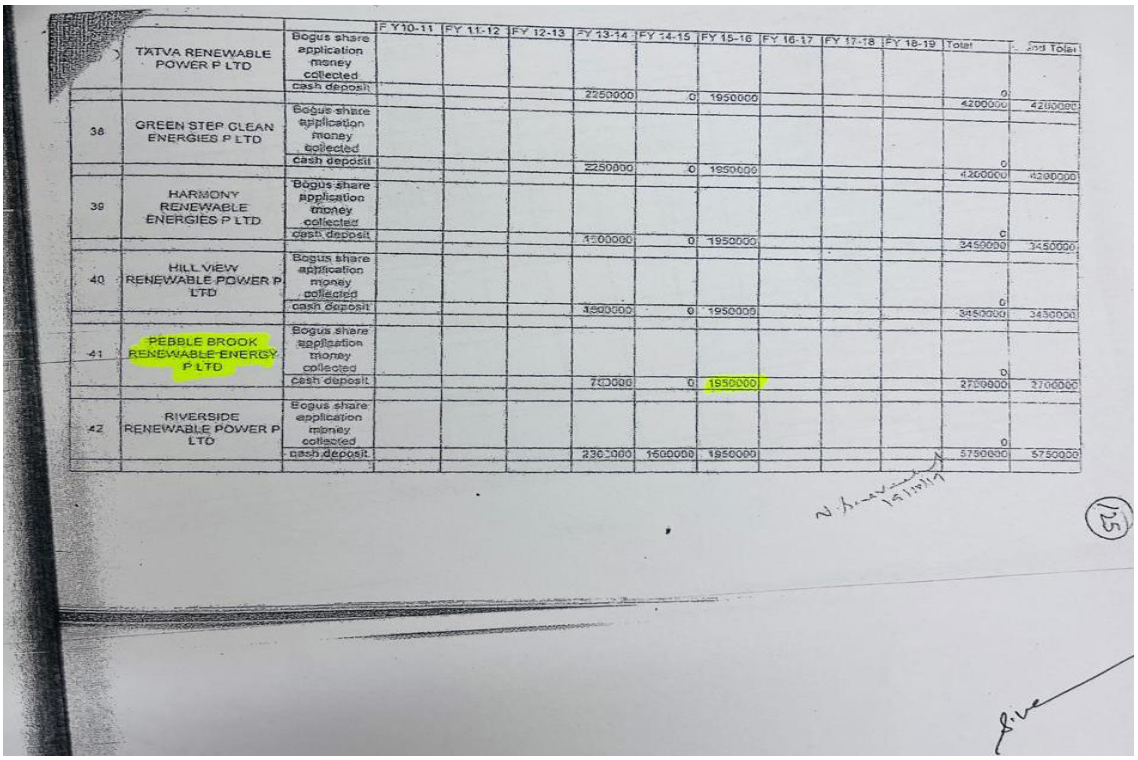
			F.Y10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Total	Grand Total
19	ASHWA GANDA HOMES P LTD	Bogus share application money collected											
		cash deposit				6316330	1716430					8032760	8032760
20	SHAMBALA DEVELOPERS P LTD	Bogus share application money collected											
		cash deposit				2300000	950000	1950000	0			5200000	5200000
21	KOSMIK SPORTS LEAGUE P LTD	Bogus share application money collected											
		cash deposit				0	0	0				0	0
22	PIPPALA LEAF DEVELOPERS P LTD	Bogus share application money collected											
		cash deposit				2300000		1950000	0			4250000	4250000
23	WHITE LOTUS SOLAR P LTD	Bogus share application money collected											
		cash deposit				0	0	1950000				1950000	1950000
24	ONELLA INFRA P LTD	Bogus share applicatica money collectec											
		cash deposit						1950000	0			1950000	1950000



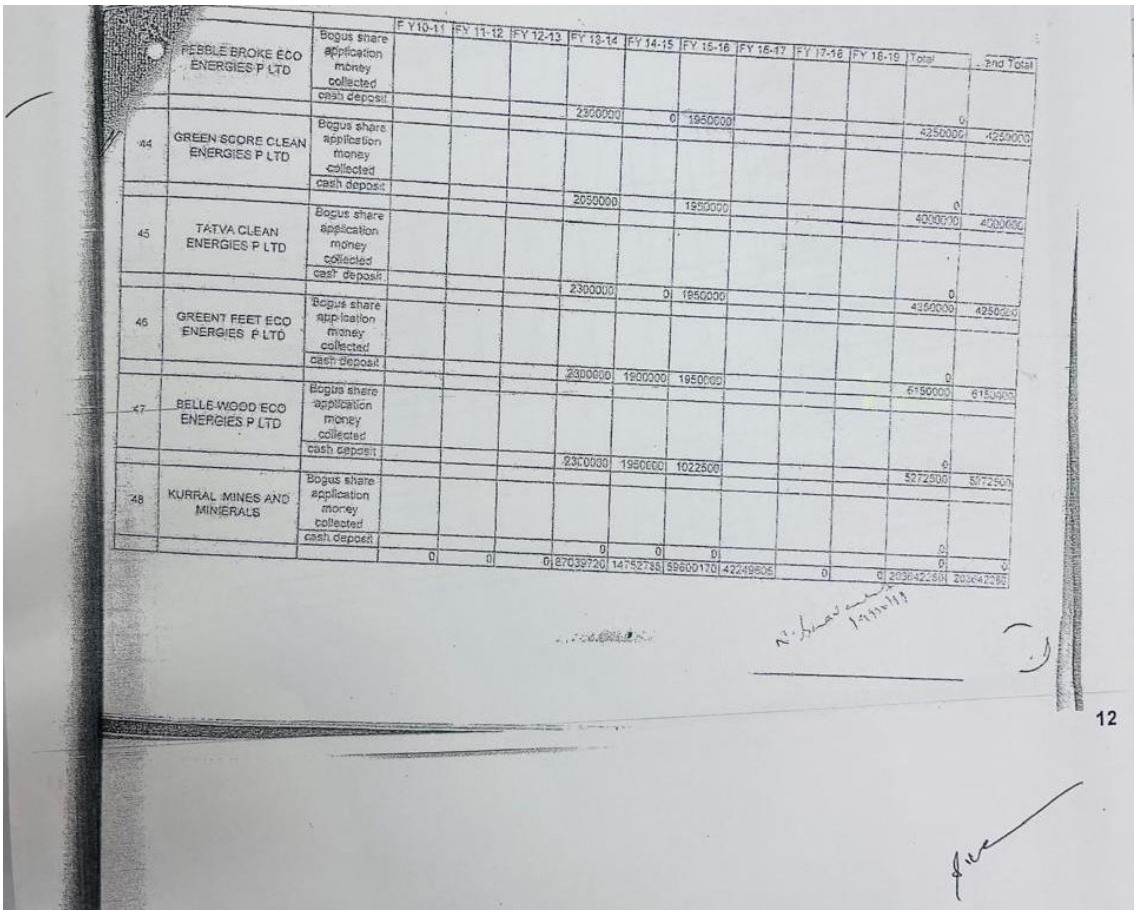
														Grand Total
	BETELNUT ESTATES P LTD	application money collected												
		cash deposit												
26	WHITE LOTUS ENERGY P LTD	Bogus share application money collected				0	0	1950000					0	
		cash deposit											1950000	1950000
27	CHATRA PROPERTY HOLDING P LTD	Bogus share application money collected				2300000		3677670					3677670	
		cash deposit						1950000	0				4250000	7927670
28	KURRAL INFRASTRUCRE P LTD	Bogus share application money collected				0	0	1950000					0	
		cash deposit											1950000	1950000
29	RIVER ROAD AGRO FARMS P LTD	Bogus share application money collected						1950000	0				0	
		cash deposit				2448360	1524355			14784605			1950000	1950000
30	KURRAL SOLAR P LTD	Bogus share application money collected				0	0	2250000	1950000				16767360	
		cash deposit											4200000	22967360
						3050000	985000		1950000				0	
													5985000	5985000



			F.Y.10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Total	Grand Total
	GREEN WOOD FRAMS P LTD	Bogus share application money collected											
		cash deposit				2300000	0	1950000				0	
32	MANGNOLIA ECO POWER LTD	Bogus share application money collected										4250000	4250000
		cash deposit				2300000	0	1950000				0	
33	HILL SIDE GARDEN P LTD	Bogus share application money collected										4250000	4250000
		cash deposit				750000	0	1950000				0	
34	ORNAMENT CLEAN ENERGY P LTD	Bogus share application money collected										2700000	2700000
		cash deposit				2300000	0	1950000				0	
35	LIVE TREE FARMS P LTD	Bogus share application money collected										4250000	4250000
		cash deposit				1600000	0	1950000				0	
36	BELLEWOOD ALTERNATE ENERGIES PRIVATE LLIMITED	Bogus share application money collected										3550000	3550000
		cash deposit				2300000	0	1950000				0	
												4250000	4250000



			FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Total	2nd Total
	TATVA RENEWABLE POWER P LTD	Bogus share application money collected											
		cash deposit				2250000	0	1950000				0	
												4200000	4200000
38	GREEN STEP CLEAN ENERGIES P LTD	Bogus share application money collected											
		cash deposit				2250000	0	1950000				0	
												4200000	4200000
39	HARMONY RENEWABLE ENERGIES P LTD	Bogus share application money collected											
		cash deposit				1500000	0	1950000				0	
												3450000	3450000
40	HILL VIEW RENEWABLE POWER P LTD	Bogus share application money collected											
		cash deposit				1500000	0	1950000				0	
												3450000	3450000
41	PEBBLE BROOK RENEWABLE ENERGY P LTD	Bogus share application money collected											
		cash deposit				750000	0	1950000				0	
												2700000	2700000
42	RIVERSIDE RENEWABLE POWER P LTD	Bogus share application money collected											
		cash deposit				2300000	1600000	1950000				0	
												5750000	5750000



			FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Total	2nd Total
	PEBBLE BROKE ECO ENERGIES P LTD	Bogus share application money collected											
		cash deposit				2300000	0	1950000				0	
												4250000	4250000
44	GREEN SCORE CLEAN ENERGIES P LTD	Bogus share application money collected											
		cash deposit				2050000		1950000				0	
												4000000	4000000
45	TATVA CLEAN ENERGIES P LTD	Bogus share application money collected											
		cash deposit				2300000	0	1950000				0	
												4250000	4250000
46	GREENT FEET ECO ENERGIES P LTD	Bogus share application money collected											
		cash deposit				2300000	1900000	1950000				0	
												6150000	6150000
47	BELLE WOOD ECO ENERGIES P LTD	Bogus share application money collected											
		cash deposit				2300000	1950000	1022500				0	
												5272500	5272500
48	KURRAL MINES AND MINERALS	Bogus share application money collected											
		cash deposit				0	0	0				0	
			0	0	0	87039720	14752785	59600170	42249805	0	0	203642280	203642280

3.9 **Findings of the Assessing Officer ('AO'):**

The AO observed that the seized Tally data reflected cash receipts aggregating to Rs.19,50,000/- in the assessee's bank ledger under the narration "Land Advance Received". The entries were dated 29.03.2016 and formed part of the records maintained by the group's accountant. According to the AO, the assessee had failed to furnish any satisfactory explanation regarding the source of the cash receipts. It did not provide the names and addresses of the alleged persons making the advances or any supporting documentary evidence establishing the nature and source of the credits. The AO further noted that the additional income of Rs.13 crore referred to by the assessee arose from the disallowance of 10% of unaccounted expenses aggregating to Rs.126.96 crore in the case of M/s Golden Shelters Private Limited. The assessee had not demonstrated any nexus between that amount and the specific cash credits appearing in its own books. Accordingly, holding that the explanation offered by the assessee was unsatisfactory, the AO treated the entire amount of Rs.19,50,000 as unexplained cash credit u/s. 68 and initiated penalty proceedings. The AO rejected the explanation and, by order dated 11.11.2024 passed u/s. 153A read with section 263, added Rs.19,50,000/- u/s. 68 as unexplained cash credit.

4. **Findings of the ld. CIT(A):**

The ld. CIT(A) examined the assessment order, the seized material and the submissions made by the assessee. The CIT(A) observed that the search had resulted in the discovery of substantial unaccounted transactions recorded in the **pen drive [Ann/KP/KNC/ED/S1-(3)]** and in the Tally data maintained by persons associated with the group. The material contained details of cash receipts and their subsequent utilisation in various group entities. The ld.CIT(A) noted that the assessee appeared at serial number 43 of Annexure III prepared from the seized records, reflecting an investment of Rs.19,50,000/- for the financial year (FY) 2015–16 relevant to assessment year (AY) 2016–17. The AO had also extracted the relevant bank ledger from the seized Tally data in the assessment order. The CIT(A) held that the assessee had not rebutted the specific findings recorded by the AO or furnished any evidence explaining the source of the cash receipts. The mere recording of the receipts in the books and their disclosure in the audited financial statements did not establish the genuineness of the transactions or explain the source of the funds. With regard to the assessee's reliance on the judgment of the Hon'ble Supreme Court in PCIT v. Abhisar Buildwell (P.) Ltd., the CIT(A) considered that the impugned addition was supported by material found during the search and was not based merely on the regular books of account.

Regarding the settlement proceedings, the ld.CIT(A) noted that the IBS order dated 30.12.2023 had considered reconciliation of the unaccounted transactions recorded in the pen drive and allowed relief of Rs.22.52 crore in respect of cash relating to various entities. The assessee had not established that the specific amount of Rs.19,50,000/- was included in the additional income considered in the settlement proceedings in a manner warranting deletion of the addition in its hands. The ld.CIT(A), therefore, rejected both the challenge to the addition and the alternative claim for telescoping, confirmed the addition of Rs.19,50,000/- u/s. 68 and dismissed the appeal.

Aggrieved by the order of the ld.CIT(A), the assessee is in appeal before the Tribunal.

5. **Submissions of the assessee:**

The ld. Authorised Representative (AR) reiterated the grounds of appeal and submitted that the original assessment order passed u/s. 153A read with section 143(3) was invalid. It was contended that the subsequent revision u/s. 263 and the consequential assessment were, therefore, liable to be set aside.

On the merits, the assessee submitted that the amount of Rs.19,50,000/- represented land advances received in cash, which had been duly recorded in its books of account and disclosed in the audited financial statements. It was contended that the assessment year under consideration was an unabated

assessment year and that no addition could be made u/s. 153A in the absence of incriminating material found during the course of search. In support of this contention, reliance was placed on the judgment of the Hon'ble Supreme Court in PCIT v. Abhisar Buildwell (P.) Ltd. (149 taxmann.com 399), wherein it was held that, in respect of completed or unabated assessments, additions u/s. 153A could not be made in the absence of incriminating material unearthed during the search. The ld.AR for the assessee further submitted that substantial additional income had been offered by the group before the IBS, including Rs.13 crore in the case of M/s Golden Shelters Private Limited. It was argued that the additional income considered in the settlement proceedings was sufficient to cover the impugned amount and that the benefit of telescoping should be granted, at least as an alternative relief. The assessee also relied on the decision of the Co-ordinate Bench of the Tribunal in Achuyta Plantations Pvt. Ltd. v. ACIT, ITA Nos. 3251–3253/Chny/2025, in support of its contention that the impugned addition could not be sustained in the absence of incriminating material warranting an addition u/s. 153A. He further relied upon the order of the Co-ordinate Bench of Tribunal in the cases of M/s Ajitabh Agro Farms Pvt. Ltd & Other cases dated 29.04.2026 in ITA Nos.3115-3120/Chny/2025.

6. Submissions of the Revenue:

The ld. Departmental Representative supported the orders of the AO and the CIT(A). It was submitted that the Combined Warrant of Authorization issued u/s.132 of the Act included the names of 137 assessees, including the assessee under consideration. The corresponding Panchnama recorded the seizure of material bearing identification **ANN/SC/NKVK/ED/S**. According to the Revenue, the Tally data maintained by Shri Saravana Kumar, which was seized during the search, contained the details of cash introduced into the group companies under different heads. Shri Saravana Kumar had admitted in his sworn statement that the amounts recorded in the relevant annexures represented unaccounted cash. The nature of the transactions was also corroborated by the statement of Shri N.K.V. Krishna. The Revenue contended that, although the impugned receipts were recorded in the books as land advances, their actual character as unaccounted cash was revealed by the seized material. Thus, the addition was not based merely on entries in the regular books of account but on specific incriminating material found during the search.

With regard to the claim for telescoping, the ld. Departmental Representative submitted that the assessee had not established any direct nexus between the impugned cash receipts and the additional income considered in the settlement proceedings. It was further submitted that relief of Rs.22.52

crore had already been considered in the IBS proceedings in relation to cash investments in various group entities. The assessee could not claim a further adjustment without establishing that the same amount had already been subjected to tax in a manner warranting relief in its hands. The Revenue accordingly prayed that the order of the ld. CIT(A) be upheld and the appeal of the assessee be dismissed.

7. **Our findings and conclusion:**

We have heard the rival submissions, perused the material available on record and considered the orders of the authorities below. The issues arising for our consideration are:

Whether the consequential assessment is liable to be annulled on the ground that the original assessment order was invalid.

Whether the addition of Rs.19,50,000/- u/s. 68 is sustainable, having regard to the contention that no incriminating material was found during the search.

Whether the assessee is entitled to the benefit of telescoping on account of the income considered in the settlement proceedings.

Whether the decision relied upon by the assessee in Achuyta Plantations Pvt. Ltd. applies to the facts of the present case.

7.1. Validity of the consequential assessment:

The assessee's first ground challenges the validity of the original assessment order passed u/s. 153A read with section 143(3), and consequently the revision order u/s. 263 and the consequential assessment. We find that the original

assessment was completed on 28.09.2021 accepting the returned loss. Subsequently, the ld. PCIT passed an order u/s. 263 dated 21.03.2024, directing the AO to examine the source of the cash credits of Rs.19,50,000/- appearing in the seized records. In pursuance of the said order, the AO passed the consequential assessment on 11.11.2024.

The assessee has not demonstrated before us that the order passed u/s. 263 was set aside or otherwise ceased to operate. Nor has the assessee established, by reference to a specific statutory violation applicable to the facts, that the consequential assessment must be annulled merely because the original assessment is alleged to be invalid. The validity of the consequential assessment must be examined with reference to the subsisting revision order, the scope of the directions issued therein and the action taken by the AO pursuant thereto. The assessee's general assertion that the original assessment was invalid is insufficient, by itself, to establish that the consequential assessment is void. We accordingly find no sustainable basis, on the material placed before us, to annul the consequential assessment on the ground urged by the assessee. The first ground of appeal is dismissed.

7.2. Whether incriminating material was found during the search:

The principal contention of the assessee is that the assessment year under consideration is an unabated assessment year and

that, in the absence of incriminating material found during the search, no addition could be made u/s. 153A. The assessee has relied on the judgment of the Hon'ble Supreme Court in PCIT v. Abhisar Buildwell (P.) Ltd. (149 taxmann.com 399). The legal position laid down therein is that, in respect of completed or unabated assessments, an addition u/s. 153A cannot be made in the absence of incriminating material unearthed during the search. There is no dispute with this settled legal principle. The controversy before us is whether the impugned addition is supported by such material. In this regard, the revenue has filed the combined Warrant of Authorization issued u/s. 132 of the Act, and the corresponding Panchnama etc. We have examined the Combined Warrant of Authorization issued u/s. 132 of the Act, wherein the names of 137 assessees, including the present assessee, are figuring. We have also examined the corresponding Panchanama, which records the seizure of material bearing identification **ANN/SC/NKVK/ED/S**. The aforesaid documents establish that the search authorization covered the assessee and that material bearing the stated seizure identification was seized during the search proceedings. However, the existence of a search warrant and Panchanama, by themselves, would not be sufficient to establish that the impugned addition is based on incriminating material. It is necessary to examine the contents of the seized records and their connection with the addition in dispute. On examination of the assessment order and the findings of the ld.CIT(A), we find

that the Tally data maintained by Shri Saravana Kumar contained details of cash introduced into various group companies. Annexure III prepared from the seized records identified the assessee at serial number 43 and reflected an amount of Rs.19,50,000/- for the financial year 2015-16 relevant to assessment year 2016-17. The relevant bank ledger extracted from the seized Tally data records cash receipts aggregating to Rs.19,50,000/- under the narration "Land Advance Received". The entries are further supported by the statements attributed to Shri Saravana Kumar and Shri N.K.V. Krishna, which indicate that the amounts recorded in the relevant annexures represented unaccounted cash introduced into the group companies. Thus, the addition is not based merely on the existence of an accounting entry in the regular books of account. The material relied upon by the AO identifies the impugned amount, links it to the assessee and indicates that the underlying receipts represented unaccounted cash. The assessee has not furnished evidence rebutting this specific material or establishing the source of cash receipts. The mere fact that the receipts were recorded in the books as land advances and disclosed in the audited financial statements does not negate the evidentiary value of the seized records. Disclosure of a receipt in the accounts and explanation of the source from which the amount was received are distinct matters. In these circumstances, we hold that the impugned addition is supported by material found during the search and

is not hit by the principle laid down in Abhisar Buildwell. The assessee's contention that the addition must be deleted merely because the assessment year is unabated is, therefore, rejected.

7.3. Sustainability of the addition u/s. 68:

Having held that the addition is based on material found during the search, we now examine whether the addition is sustainable on merits. Section 68 of the Act provides that where a sum is found credited in the books of an assessee and the assessee offers no explanation regarding its nature and source, or the explanation offered is not satisfactory in the opinion of the AO, the sum may be charged to income tax as the income of the assessee of that previous year. In the present case, the assessee has described the credits as land advances. However, it has not furnished the names and addresses of the persons from whom the amounts were allegedly received, confirmations, agreements relating to the proposed land transactions or other documentary evidence establishing the source of the cash receipts. The seized records, read with the statements referred to by the AO and the CIT(A), indicate that the amounts represented unaccounted cash introduced into the group companies. The assessee has not produced any material to rebut this finding or satisfactorily explain the source of the impugned credits. The contention that the amounts were recorded in the books and disclosed in the audited financial statements does not, by itself, discharge the

burden cast upon the assessee u/s. 68 of the Act. The relevant question is not merely whether the receipts were entered in the books, but whether the nature and source of the credits have been satisfactorily explained. We therefore find that the AO was justified in treating the sum of Rs.19,50,000/- as unexplained cash credit u/s. 68 of the Act. The ld.CIT(A), having considered the seized material and the explanation offered by the assessee, was justified in confirming the addition. Accordingly, the addition of Rs.19,50,000 u/s. 68 is upheld.

7.4. Claim for telescoping of income considered in the settlement proceedings:

The assessee has alternatively contended that substantial additional income was offered by the group before the IBS, including Rs.13 crore in the case of M/s Golden Shelters Private Limited, and that the impugned addition should be telescoped against such income. We have considered this submission. The material placed before us indicates that the amount of Rs.13 crore arose in the context of the disallowance of 10% of unaccounted expenses aggregating to Rs.126.96 crore in the case of M/s Golden Shelters Private Limited. The assessee has not demonstrated that the specific cash receipts of Rs.19,50,000/- were included in that amount or that the settlement order otherwise dealt with the same credits in a manner entitling the assessee to relief. We further note that the ld.CIT(A), after examining the IBS order dated 30.12.2023,

observed that relief of Rs.22.52 crore had been considered in respect of cash relating to various entities and investments reflected in the relevant annexures. The assessee has not established that the present addition was already included in an amount assessed or settled in a manner that would warrant its exclusion from the assessee's income. The mere fact that additional income has been offered or assessed in the hands of another group entity does not automatically entitle the assessee to telescoping. The assessee must establish the factual nexus between the income already considered and the unexplained credit sought to be telescoped, while also demonstrating that the same income is not being given relief twice. In the absence of such evidence, we find no infirmity in the order of the CIT(A) rejecting the claim for telescoping. The assessee's alternative contention is accordingly dismissed.

7.5. Distinguishing the decision in Achuyta Plantations Pvt. Ltd.:

We have also examined the decision of the Co-ordinate Bench of the Tribunal in Achuyta Plantations Pvt. Ltd. v. ACIT, ITA Nos. 3251–3253/Chny/2025, relied upon by the ld.Authorised Representative. In this regard, we observe that the material available before us does not enable us to conclusively ascertain whether either party had actually placed on record before the Tribunal in Achuyta Plantations Pvt. Ltd. the relevant 'Warrant of Authorization' u/s.132, the corresponding 'Panchnama', the sworn statement of Shri Saravana Kumar and Annexures II and

III containing the details of the cash introduced into the group companies. However, in the present case, the ld.Departmental Representative (DR) has placed on record the aforesaid material evidence. We have examined the Combined Warrant of Authorization u/s.132 of the Act, which contains the names of 137 assessees, including the present assessee, and the corresponding Panchnama recording the seizure of material bearing identification ANN/SC/NKVK/ED/S. We have also considered the sworn statement of Shri Saravana Kumar and the relevant Annexures II and III, which contain details of the unaccounted cash transactions in the group entities. On examination of these materials, we find that Annexure III specifically identifies the present assessee and records an amount of Rs.19,50,000/- for the financial year 2015-16. The corresponding Tally entries record the said amount under the narration "Land Advance Received". The statement of Shri Saravana Kumar, read with the other material on record, provides evidence concerning the nature of the impugned receipts as unaccounted cash introduced into the assessee company. Thus, the present case is supported by a specific body of documentary and testimonial evidence placed before us by the Revenue, establishing a connection between the material seized during the search and the addition made in the assessee's hands. The existence of such evidence and its relevance to the impugned addition are material considerations in deciding whether the requirement of incriminating material

laid down by the Hon'ble Supreme Court in PCIT v. Abhisar Buildwell (P.) Ltd. is satisfied. We make it clear that we are not proceeding on the assumption that the aforesaid material was absent in Achuyta Plantations. In the absence of a verified record establishing what documents were placed before the Tribunal in that case, no categorical finding in that regard can be recorded. Nevertheless, the issue in the present appeal must be adjudicated on the basis of the evidence actually placed before us and its demonstrated nexus with the impugned addition. Accordingly, the assessee's reliance on Achuyta Plantations cannot, by itself, lead to deletion of the addition without examining the specific evidentiary material available in the present case. Having regard to the seized records, the relevant annexures and the corroborative sworn statement, we find that the impugned addition is supported by material having a direct nexus with the assessee. The legal principle laid down in Abhisar Buildwell is, therefore, distinguishable in its application to the facts of the present case, as the condition concerning the existence of incriminating material is satisfied. We accordingly reject the assessee's reliance on the said decision for deletion of the impugned addition. Our above views will also apply with regard to the case law filed by the assessee in the M/s Ajitabh Agro Farms Pvt. Ltd & Other cases dated 29.04.2026 in ITA Nos.3115-3120/Chny/2025.

8. **Conclusion and operative order:**

In view of the foregoing discussion, we record our findings as follows:

1. The assessee has not established a sustainable legal basis for annulling the consequential assessment passed u/s. 153A read with section 263, particularly in the absence of material demonstrating that the subsisting revision order u/s. 263 was set aside or otherwise ceased to operate.

2. The Combined Warrant of Authorization u/s. 132, the corresponding Panchanama recording the seizure of material bearing identification ANN/SC/NKVK/ED/S, the relevant Tally entries and Annexure III, read with the corroborative statements, establish the evidentiary basis for the impugned addition.

3. The addition of Rs.19,50,000/- is supported by material found during the search and is not liable to be deleted merely on the ground that the assessment year is unabated. The assessee has also failed to furnish a satisfactory explanation regarding the nature and source of the cash credits.

4. The assessee has not established the requisite nexus between the impugned cash receipts and the additional income considered in the settlement proceedings to warrant telescoping.

5. The decision in Achuyta Plantations Pvt. Ltd., ITA Nos. 3251–3253/Chny/2025, does not, merely by reason of the legal principle relied upon, warrant deletion of the addition in the present case. The issue must be decided on the basis of the specific incriminating material and evidentiary findings in the assessee's case.

Accordingly, we find no infirmity in the order of the ld. CIT(A) confirming the addition of Rs.19,50,000/- u/s. 68 of the Income Tax Act, 1961. The findings of the ld. CIT(A) are upheld, and both grounds raised by the assessee are dismissed.

9. In the result, the appeal filed by the assessee is dismissed.

10. **ITA Nos. 3320, 3321 and 3322/Chny/2025 - Assessment Year 2016-17:**

In ITA No. 3320/Chny/2025: Brief facts of the case are that the appellant is a Domestic Private Limited Company engaged in agriculture and horticulture and filed its return of income u/ 139(1) of the Income Tax Act, 1961 on 22.09.2016 declaring a total loss of Rs. 22,989/- for the A.Y. 2016-17. A search and seizure operation u/s. 132 of the Income-tax Act, 1961 (hereinafter referred to as "the Act"), was conducted on 16.10.2019 in the cases of the N.K.V. Krishna Group, including the assessee.

In ITA No. 3321/Chny/2025: Brief facts of the case are that the appellant is a Domestic Private Limited Company engaged in agriculture and horticulture and filed its return of income u/

139(1) of the Income Tax Act, 1961 on 22.09.2016 declaring a total loss of Rs.15,613/- for the A.Y. 2016-17. A search and seizure operation u/s. 132 of the Income-tax Act, 1961 (hereinafter referred to as "the Act"), was conducted on 16.10.2019 in the cases of the N.K.V. Krishna Group, including the assessee.

In ITA No. 3322/Chny/2025: Brief facts of the case are that the appellant is a Domestic Private Limited Company engaged in agriculture and horticulture and filed its return of income u/ 139(1) of the Income Tax Act, 1961 on 14.09.2016 declaring a total loss of Rs.23,525/- for the A.Y. 2016-17. A search and seizure operation u/s. 132 of the Income-tax Act, 1961 (hereinafter referred to as "the Act"), was conducted on 16.10.2019 in the cases of the N.K.V. Krishna Group, including the assessee.

11. Since the facts of the cases, the grounds of appeal raised by the respective assessees, and the findings recorded by the ld.CIT(A) in paragraphs 5.4.1 to 5.4.5 of the respective orders are similar in all four appeals, the same are not being reiterated herein for the sake of brevity. Accordingly, our findings and decision in ITA No.3319/Chny/2025 for AY 2016-17 shall apply mutatis mutandis to the other three appeals, viz., ITA Nos. 3320, 3321 and 3322/Chny/2025.

In view of our findings and decision in ITA No. 3319/Chny/2025, the appeals filed by the respective assessees

in ITA Nos. 3320, 3321 and 3322/Chny/2025 are also dismissed.

12. In the final result, the appeals filed by the different assessee are dismissed as above.

Order pronounced in the open court on the 26th day of October 2026 in Chennai.

Sd/-	**Sd/-**
(इंतूरी रामा राव)	**(मनु कुमार गिरि)**
(INTURI RAMA RAO)	**(MANU KUMAR GIRI)**
लेखा सदस्य**/ACCOUNTANT MEMBER**	न्यायिक सदस्य**/JUDICIAL MEMBER**

चेन्नई/Chennai,
दिनांक/Dated: 26th October 2026.
SNDP, Sr. PS

आदेश की प्रतिलिपि अग्रेषित**/Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT, Chennai / Madurai / Salem / Coimbatore.
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF