

1. **Cost of construction vis-à-vis report of Valuation Officer** - AO having not rejected the books of accounts maintained by the assessee in the usual course of business or established that there is difference in the constructed area of the building, the value reflected in the books of accounts has to be taken as correct rather than the one furnished by the Valuation Officer, and, therefore, addition made under s. 69B towards the difference cannot be sustained.
- **ITO vs. Arasan Subbaiah (Mad) 20 DTR 113 (2009).**
2. **Statement under s. 132(4)** - A letter written by partner of assessee firm to Department admitting undisclosed income higher than that disclosed in statement under s. 132(4) with certain conditions and further stating that a revised return shall be filed accordingly is not a statement u/s 132(4) nor a revised return and cannot be used as a basis for making assessment.
- **Chief CIT & Anr. Vs. Pampapathi (Kar) 11 DTR 82 (2008).**
3. **Reassessment of Block Assessment - Notice under s. 148** - Block Assessment framed under Chapter XIV-B - Once assessment has been framed under s. 158BA in relation to undisclosed income of the block period as a result of search, AO cannot issue notice under s. 148 for reopening such assessment.
- **Cargo Clearing Agency (Gujarat) vs. Jt. CIT (Guj) 12 DTR 50 (2008).**
4. **Release of seized cash** - Pendency of Assessment - AO can retain the seized books, money, etc. till the completion of the post-search assessment proceedings - Retention of seized money by the Assessing Officer beyond sixty days during the pendency of ongoing assessment proceedings is legal and valid, and no direction can be issued to return the amount.
- **P. Murugesan vs. Director of IT (Investigation) & Ors. (Mad) 11 DTR 76 (2008).**
5. **Additions made by the AO, inter alia, on the basis of loose papers found during search:-** Additions made by the AO, inter alia, on the basis of loose papers found during search by making certain presumptions which are found to be inconsistent or contrary to other evidence on record cannot be upheld, especially when no significant asset outside the books or no evidence of ostensible expenditure outside the books of accounts found.
- **Nirmal Fashions (P) Ltd. vs. Dy. CIT (KOL 'B') 23 DTR 386 (2009).**
6. **Provisional attachment under s. 281B** - Seizure of incriminating documents regarding tax evasion - Seizure of incriminating documents during the course of search and seizure operation indicating large scale tax fraud, the designated authority was justified in forming the reasonable belief that the transactions between petitioner No. 1 and the foreign companies were tax avoidance transactions, and the amounts received by petitioner No. 2 which were brought into India constituted his undisclosed income and, therefore, invoking s. 281B - Attachment of both immovable and movable properties, including the shares held by him in his demat account out of the funds brought from abroad, cannot be faulted.
- **Genom Biotech (P) Ltd. & Ors. Vs. Director of IT (Investigation) & Ors. (Bom) 23 DTR 241(2009).**
7. **Authorisation under s. 132(1)** - Reason to believe - In view of specific information in the possession of the Department that petitioner No. 1 has been evading tax by fabricating fake/ exaggerated invoices and that the investments made by petitioner No. 2 out of the funds brought to India represented the amount said to be paid to foreign companies abroad, designated authority was justified in forming the belief that the conditions set out in cls. (b) and (c) of s. 132(1) are satisfied - A copy of the information or the satisfaction note need not be furnished to the petitioners.
- **Genom Biotech (P) Ltd. & Ors. Vs. Director of IT (Investigation) & Ors. (Bom) 23 DTR 241(2009).** ■