

IN THE INCOME TAX APPELLATE TRIBUNAL
“DB” BENCH, AGRA

BEFORE HON’BLE SHRI SATBEER SINGH GODARA, JM
AND
HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM

आयकरअपील सं. / ITA No.126/Agr/2024
(निर्धारणवर्ष / Assessment Year: 2018-19)

DCIT 1st Floor, Aaykar Bhawan Sanjay Place, Agra - 282001	बनाम/ Vs.	M/s Kailbish Natural Resources Pvt. Ltd. 1/354, Transport Nagar Agra
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. AADCB-4658-F		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकीओरसे/ Appellant by	:	Shri Shailender Shrivastava – Ld. Sr. DR
प्रत्यर्थीकीओरसे/ Respondent by	:	Shri Anurag Sinha (Advocate) – Ld. AR

सुनवाईकीतारीख/ Date of Hearing	:	18-02-2025
घोषणाकीतारीख / Date of Pronouncement	:	28-03-2025

आदेश / O R D E R

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by Revenue for Assessment Year (AY) 2018-19 arises out of an order of learned Commissioner of Income Tax (Appeals), Kanpur [CIT(A)] dated 03-01-2024 in the matter of an assessment framed by Ld. DCIT, Central Circle, Agra u/s 143(3) of the Act on 30-12-2019. Having heard rival submissions and upon perusal of case records, the appeal is disposed-off as under.

2. During assessment proceedings, pursuant to search action in the case of BNR group on 26-09-2017, it was alleged by Ld. AO that the

assessee made huge high sales to Shri Maa Bhagwati Enterprises (prop. Shri Paras Kumar Parashar) for Rs.610.37 Lacs. That entity was used for laundering the unaccounted money into regular books of accounts and it did not carry out any business activity. Accordingly, it was alleged by Ld. A that the money so received by the assessee in the guise of its sales was assessee's own unaccounted income. The same was accordingly, added u/s 68 r.w.s. 115BBE.

3. During appellate proceedings, the assessee assailed impugned addition in the light of an order passed by Hon'ble Interim Board of Settlement-VII, Chennai (IBC) u/s 245D(4) of the Act on 26/27-09-2023 wherein primary contention stood rejected that Shri Maa Bhagwati Enterprises was dummy / paper concern of BNR group. The sales and purchases of this entity were accepted by Hon'ble IBC. The Ld. CIT(A) concurred that as per order of Hon'ble IBC, Shri Maa Bhagwati Enterprises was doing trading of edible oils and Net Profit rate of 4% was accepted by IBC. Further, the assessee furnished ledger of Shri Maa Bhagwati Enterprises showing sales made and payment received. The payment was through banking channels and the sales were backed by sales invoices. The amount so remitted by Shri Maa Bhagwati Enterprises was remitted by another entity M/s B.N. Agritech Pvt. Ltd. However, considering the fact that in the account of Shri Maa Bhagwati Enterprises, huge deposit was made and considering the NP rate as accepted by Hon'ble IBC, Ld. CIT(A) applied same rate of 4% on impugned sales made by the assessee

and restricted the additions to that extent. Aggrieved, the revenue is in further appeal before us.

4. It is quite clear that the findings of Ld. CIT(A) are based on the order passed by Hon'ble IBC in group of cases. The Hon'ble IBC accepted the transactions and accepted Net Profit Rate of 4% on all the transactions. The Ld. CIT(A) has taken guidance from the same and applied similar rate to the impugned transaction. This position could not be controverted by revenue. Since the impugned order has rendered factual finding by considering the order of Hon'ble IBC, the same require no interference on our part.

5. The appeal stand dismissed.

Order pronounced u/r 34(4) of Income Tax (Appellate Tribunal) Rules, 1963.

Sd/-
(SATBEER SINGH GODARA)
न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-
(MANOJ KUMAR AGGARWAL)
लेखा सदस्य / ACCOUNTANT MEMBER

Dated: 28-03-2025

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT
4. विभागीय प्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT AGRA