

**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**

**आयकरअपीलसं./ ITA No. 37/Agr/2021**  
**(निर्धारणवर्ष / Assessment Year:2016-17)**

<b>Al-Hamd Agro Food Product P. Ltd.</b> C/o Deepak Singh, Advocate 2, Court of Wards Compound, Aligarh.	<b>बनाम/ Vs.</b>	<b>Pr. CIT - 1</b> Agra.
<b>स्थायीलेखासं./जीआइआरसं./PAN/GIR No. <b>AAFCA-0964-R</b></b>		
<b>(अपीलार्थी/Appellant)</b>	<b>:</b>	<b>(प्रत्यर्थी / Respondent)</b>

<b>अपीलार्थीकीओरसे/ Appellant by</b>	<b>:</b>	<b>Sh. Deepak Singh, Adv. – Ld. AR</b>
<b>प्रत्यर्थीकीओरसे/Respondent by</b>	<b>:</b>	<b>Dr. Arun Kumar Yadav – Ld. CIT-DR</b>

<b>सुनवाईकीतारीख/Date of Hearing</b>	<b>:</b>	<b>19-02-2025</b>
<b>घोषणाकीतारीख /Date of Pronouncement</b>	<b>:</b>	<b>22.04.2025</b>

**आदेश / ORDER**

**Manoj Kumar Aggarwal (Accountant Member)**

1. By way of this appeal, the assessee assails invocation of revisionary jurisdiction u/s 263 by Ld. Pr. Commissioner of Income Tax-1, Agra (Pr.CIT) for Assessment Year (AY) 2016-17 vide impugned order dated 31-03-2021 in the matter of an assessment framed by Ld. AO u/s 143(3) of the Act on 02-11-2016. Having heard rival submissions and upon perusal of case records, our adjudication would be as under.
2. Upon perusal of case records, it could be seen that the assessee’s case was subjected to limited scrutiny. During the course of assessment proceedings, notices u/s 142(1) were issued to the assessee calling for various details which were duly been responded

to by the assessee. Having satisfied with assessee's explanation, Ld. AO accepted the returned income of the assessee.

3. Subsequently, Ld. Pr. CIT, upon perusal of case records, alleged that amount of expenses as shown in the ledger extracts were less than as shown in Income Tax Return to the extent of Rs.22.51 Lacs. The assessee made large remittances for Rs.5.68 Crores which were not enquired into by Ld. AO. Similarly, no queries were raised on current liabilities. Accordingly, the assessee was show-caused. The assessee refuted all these allegations and stated that due enquiries were made by Ld. AO. However, rejecting the same, Ld. Pr. CIT held the assessment order to be erroneous and prejudicial to the interest of the revenue and directed Ld. AO to pass fresh order after making necessary enquiries / investigations. Aggrieved, the assessee is in further appeal before us.

4. At the outset, it could be observed that the case was subjected to limited scrutiny and during the course of assessment proceedings, various queries were raised by Ld. AO in this regard. In notice u/s 142(1) dated 14-06-2018, the assessee was required to file complete details of the expenses along with ledger extracts and supporting vouchers. The assessee was also required to furnish details of large remittance to non-residents per Form No.15CA and explain the business expediency thereof. Apparently, the assessee furnished the requisite details and after having satisfied with the assessee's explanation, Ld. AO chose to accept the returned income. The Ld. AO looked into the submissions of the assessee and arrived at a

satisfaction. In the light of all these facts, it could be concluded that whatever enquiries were required, the same were made by Ld. AO during the course of assessment proceedings itself. After due consideration of assessee's submissions, Ld. AO accepted the claim of the assessee with due application of mind. In our opinion, the allegations in the proposed revision are not well founded. The proposed revision is nothing but to make fishing or roving enquiries which is impermissible. It is a case of acceptance of one of the plausible views which was more on facts and the said view could not be said to be opposed to any law or statutory provisions. The Ld. AO, in our opinion, had taken one of the plausible views in the matter and therefore, Ld. Pr. CIT could not be said to be justified in substituting the view of Ld. AO with that of his own view. Simply because some further verification was required or simply because the verification was not done in a particular manner, the same could not justify revision of the order unless it was shown that the view of Ld. AO was erroneous or opposed to any law. Further, no findings have been rendered by Ld. Pr. CIT as to how the order was erroneous.

5. The Hon'ble Supreme Court in **Malabar Industrial Co. Ltd. vs. CIT (supra)** has held that the phrase 'prejudicial to the interests of the revenue has to be read in conjunction with an erroneous order passed by the Assessing Officer. Every loss of revenue as consequence of an order of the Assessing Officer cannot be treated as prejudicial to the interest of the revenue. For example, when an Income-tax Officer adopted one of the courses permissible in law

and it has resulted in loss of revenue; or where two views are possible and the Income-tax Officer has taken one view with which the Commissioner does not agree, it cannot be treated as an erroneous order prejudicial to the interest of the revenue, unless the view taken by the Income-tax Officer is unsustainable in law. The said principal has been reiterated by Hon'ble Court in its subsequent judgment titled as **CIT V/s Max India Ltd. (295 ITR 282)**. Similar principal has been followed in **Grasim Industries Ltd. V/s CIT (321 ITR 92)**. The ratio of all these decisions is that where two views are possible and AO has preferred one view against another view, order could not be said to be erroneous or prejudicial to the interest of the revenue.

6. Therefore, on the given facts, the impugned revision of assessment order could not be sustained in law. We order so. The assessment as framed by Ld. AO stand restored back.

7. The appeal stand allowed in terms of our above order.

*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: 22.04.2025

**आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT AGRA