

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

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER &  
SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER**

**ITA No. 44/Agr/2021  
(Assessment Year 2015-16)**

Meenakshi Metal Industries LLP, 368, Civil Lines, Jhansi Uttar Pradesh- 284001	Vs.	PCIT, Agra-1, Agra, U.P. -282002
स्थायीलेखासं./जीआइआरसं./PAN/GIR No: AAUFM8091R		
Appellant	..	Respondent

Appellant by :	Sh. Navin Gargh, Adv.
Respondent by :	Sh. Sukesh Kumar Jain, CIT-DR

Date of Hearing	10.02.2025
Date of Pronouncement	10.02.2025

**ORDER**

**PER SATBEER SINGH GODARA, JUDICIAL MEMBER:**

This assessee's appeal for assessment year 2015-16, arises against Pr. Commissioner of Income Tax-1, Agra's DIN & Order No. ITBA/REV/F/REV5/2020-21/1031990790(1), dated 31.03.2021, involving proceedings u/s 263 of the Income-tax Act, 1961, (hereinafter referred to as the 'Act').

2. Heard both the parties at length. Case file perused.

3. It emerges during the course of hearing that the assessee has raises first and foremost legal issue between the parties about the correctness of the learned PCIT's revision directions under challenge. This is for the precise reason that even the learned PCIT detailed discussion in para 4 at page 3 makes it clear that although it was as instance of "limited" scrutiny before the Assessing Officer, it was incumbent for the latter authority to take recourse to the necessary approvals for converting the said "limited" scrutiny to a "complete" one; and, therefore, his in-action to this fact renders the assessment framed on 06.12.2017 as an erroneous one causing prejudice to interest of the Revenue.

4. It is in the factual backdrop that the assessee vehemently argued that once it was a case of "limited" scrutiny, the Assessing Officer action not converting it into complete one so as to examine the closing stock valuation neither could be called as an erroneous one nor causing prejudice to interest of the revenue.

5. The Learned CIT-DR on the other hand quotes (2023) 149 taxman.com 202 (Kerala) Sahyadri Agencies Ltd. vs. PCIT that even such a failure on the Assessing Officer's part could very well attract revision jurisdiction of the prescribed authority; and, therefore, we ought to affirm the PCIT's revision directions herein.

6. We have given a thoughtful consideration to the foregoing rival submission and see no reason to accept Revenue's arguments. We make it clear that the scope of a "limited" scrutiny has been examined by various hon'ble high court's including PCIT Vs. Weilburger Coatings (India) Ltd. (2023) 155 taxmann.com 550 (Cal.) has admittedly settled the issue in assessee's favour as against the hon'ble Kerala high court

deciding it in department's favour. No guidance has come to our notice from hon'ble jurisdictional high court of judicature at Allahabad. Faced with this situation, we adopt the view getting in assessee's favour to reverse the learned PCIT's section 263 revision direction.

7. This assessee's appeal is allowed.

Order pronounced in the open court on 10.02.2025

Sd/-  
(Manoj Kumar Aggarwal)  
ACCOUNTANT MEMBER

Sd/-  
(Satbeer Singh Godara )  
JUDICIAL MEMBER

Dated 10.02.2025

PS: Rohit/Subodh, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR