

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'G', NEW DELHI**
Before Sh. Satbeer Singh Godara, Judicial Member
&
Sh. Manish Agarwal, Accountant Member

ITA No. 2089/Del/2025 : Asstt. Year: 2019-20

Badri Vishal Commodity Management Services Ltd., Plot No. 4, SSC Industrial Estate, GT Karnal Road, Adarsh Nagar, Delhi-110033	Vs	DCIT, Central Circle-5, New Delhi-110055
(APPELLANT)		(RESPONDENT)
PAN No. AABCS3666E		

**Assessee by : Sh. Vinod Kumar Bindal, Adv. &
Ms. Rinki Sharma, ITP**
Revenue by : Sh. Mahesh Kumar, CIT-DR

Date of Hearing: 09.09.2025	Date of Pronouncement: 09.09.2025
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ORDER

Per Satbeer Singh Godara, Judicial Member:

This assessee's appeal for Assessment Year 2019-20, arises against the CIT(A)-24, New Delhi's DIN & order No. ITBA/APL/M/250/2024-25/1073850598(1) dated 28.02.2025, in proceedings u/s 153C of the Income Tax Act, 1961 (in short "the Act").

2. Heard both the parties at length. Case file perused.
3. It emerges at the outset that the assessee/appellant herein has challenged the validity of the impugned section 153C assessment itself dated 21.03.2023 framed in furtherance to the

learned jurisdictional Assessing Officer's satisfaction recorded on 03.07.2021; as follows:

"M/s Badri Vishal Commodity Management Services Ltd. earlier known as M/s Sharp Commodity Management Ltd. (AABCS3666E)

Satisfaction Note for proceedings u/s 153C of the Income Tax Act, 1961

Digital data seized as Annexure A-2 during search u/s 132 of the Act and received from the assessing officer of searched person Sh. Sumit Jindal have been examined. After examination of such soft data I am satisfied that the above data have a bearing on the determination of the total income of M/s Badri Vishal Commodity Management Services Ltd. earlier known as M/s Sharp Commodity Management Ltd.

Therefore, I am satisfied that M/s Badri Vishal Commodity Management Services Ltd. earlier known as M/s Sharp Commodity Management Ltd. is covered u/s 153C of the Act. Accordingly, notices u/s 153C of the Act, are issued for A.Y. 2013-14 to 2019-20."

4. Learned CIT-DR vehemently argues in this factual backdrop that the above satisfaction is very well in tune with the provisions of the Act which deserves to be upheld in very terms. He further informs us that the learned departmental authorities had carried out a search action in various hawala traders group of cases on 31.08.2018 wherein the corresponding warrant had been issued in the name of Sh. Sumit Jindal. And that all this led the department to unearth various incriminating documents/material pertaining to the assessee wherein the Assessing Officer of the searched party recorded his satisfaction

which was sent to its jurisdictional Assessing Officer; who, in turn, issued notice in the foregoing terms finally culminating in the assessment under challenge on 21.03.2023. Learned CIT-DR further invites our attention to the fact that the above assessment in issue has duly discussed all the incriminating material against the assessee as well.

5. We have given our thoughtful consideration to the assessee's and the Revenue's foregoing vehement submissions. We make it clear first of all that this is an instance of an "unabated" assessment; as on the date of search, which has to be treated as the date of satisfaction herein i.e. 13.07.2021 u/s 153C(1) as per PCIT vs. Jasjit Singh (2024) 336 CTR 634 (Delhi) and PCIT vs. Ojjus Medicare Pvt. Ltd. (2024) 465 ITR 101 (Del.).

6. We further observe that going by the very analogy, it is very much incumbent for the learned departmental authorities to proceed against the assessee and make any addition based on the specific seized material only in light of PCIT vs. Abhisar Buildwell Pvt. Ltd. (2023) 454 ITR 212 (SC). A perusal of the case records on the other hand indicates that the learned Assessing Officer had *inter alia* added the assessee's sales of Rs.10,01,68,442/- made to the searched party's group with

0.15% commission (Rs.15,000/- per crore) and trade payables of Rs.169,07,94,989; respectively. This last addition represents trade payables of Rs.224,96,72,251/- as on 31.03.2019 as reduced by Rs.55,88,77,262/- as on 31.03.2018; respectively, assessed in the impugned assessment year 2016-17 before us. We thus delete the same in very terms therefore.

7. The outcome of the above remaining former twin additions would be hardly any different wherein no specific seized material (A-2) had been quoted by the learned Assessing Officer. His remand report dated 12-14.02.2024 (pages 510-513) fairly admits that even the searched party had got recorded it's statement u/s 131(1) than during search u/s 132(4) of the Act. This is indeed coupled with the fact that the assessee had already disclosed these transactions in the regular books followed by it's computation and return filed on 28.10.2019 i.e. very well before initiation of section 153C proceedings on 20.07.2021. Learned counsel has further reiterated the assessee's detailed supportive evidence to this effect to prove genuineness of the impugned sales added herein as non-genuine. We conclude in this backdrop that the learned lower authorities have erred in law and on facts in adding the assessee's sales not taxed on any incriminating material in light

of "Abhisar Buildwell". These former twin additions are deleted therefore. Ordered accordingly.

8. This assessee's appeal is allowed.

Order Pronounced in the Open Court on 09/09/2025.

Sd/-

(Manish Agarwal)
Accountant Member
Dated: 09/09/2025

Subodh Kumar, Sr. PS

Copy forwarded to:

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

Sd/-

(Satbeer Singh Godara)
Judicial Member

ASSISTANT REGISTRAR