

IN THE INCOME TAX APPELLATE TRIBUNAL "B" BENCH, KOLKATA

**BEFORE SHRI RAJESH KUMAR, AM
AND
SHRI PRADIP KUMAR CHOUBEY, JM**

**ITA No. 2083/KOL/2025
(Assessment Year: 2020-21)**

Lumino Industries Limited
Unit No.12/4, Merlin Acropolis,
1858/1, Rajdanga Main Road,
Kolkata Township,
Kolkata-700107, West Bengal
(Appellant)

DCIT, CC 2(3)
Aayakar Bhawan Poorva,
110, Shanti Pally,
E.M. Bypass, Kolkata-700107,
West Bengal
(Respondent)

PAN No. AABCL0720E

Assessee by : Shri Soumitra Choudhury &
Ms. Nandini Sureka, Ars
Revenue by : Shri P.N. Barnwal, DR

Date of hearing: 12.11.2025
Date of pronouncement: 02.12.2025

ORDER

Per Rajesh Kumar, AM:

This is an appeal preferred by the assessee against the order of the Commissioner of Income-tax (Appeals), Kolkata-26, (hereinafter referred to as the "Ld. CIT(A)") dated 14.07.2025 for the AY 2020-21.

2. The issue raised in ground no.2 is against the order of learned CIT (A) confirming the addition of ₹15,00,000/- as made by the learned AO on account of unexplained cash credit u/s 68 of the Act in respect of loan taken from the EAPL.

2.1. The facts in brief are that the assessee filed the return of income on 16.01.2021, declaring total income of ₹128,90,00,980/-. The assessment was framed u/s 143(3) vide order dated 30.09.2022,

assessing the total income at ₹1,30,24,65,800/-. A search action u/s 132 of the Act was conducted on 15.03.2022, on the Goel Group and the assessee being a flagship company of the said group is also covered under the said search action. Notice u/s 148 of the Act was issued on 30.03.2023, which was complied with by filing the return of income declaring the income of ₹130,06,31,300/-. Thereafter, the statutory notices were duly issued and served upon the assessee. The learned AO noted that during the course of search proceeding certain papers were found which revealed that assessee has taken unsecured loan from shell entity and also paid interest thereon. Thereafter, the learned AO noted that M/s JATS agency Pvt. Ltd. got merged with the assessee company pursuant to the order of NCLT with effect from A.Y. 2020-21, and all the assets and liabilities of the amalgamating company vested with the assessee company. The learned AO noted that the amalgamating company had received unsecured loan and paid interest thereon for A.Y. 2020-21. According to the learned AO, there were two loans taken one from Godavari Vyapaar Pvt. Ltd. of ₹45 lacs and another from Eiffel Agencies Pvt. Ltd. of ₹15 lacs. According to the learned AO, Eiffel Agencies Pvt. Ltd. figured in the list of Jamakarchi Company. Accordingly, the same was added as unexplained cash credit u/s 68 of the Act to the income of the assessee, despite the assessee filing all the evidences qua the loan raised from the said entity. However, no addition was made in respect of all another loan taken from Godavari Vyapaar Pvt. Ltd.

2.2. In the appellate proceedings, the learned CIT (A) dismissed the appeal of the assessee by observing that the lender company has net worth of ₹10 crores and has shown profit of less than 1 lacs from operation. The learned CIT (A) noted that in 2018-19, the said

company has shown net profit of ₹94,273/- and in A.Y. 2019-20, ₹30,410/-. Thereafter, Id CIT(A) confirmed the addition after upholding the order of the learned AO on this issue.

2.3. After hearing the rival contentions and perusing the materials available on record, we find that the assessee filed all the evidences before the learned AO as well as before the learned CIT (A). The documents qua the loan raised from Eiffel Agencies Pvt. Ltd. and the authorities have failed to point out any defect or discrepancy in the same and mainly relied on the report of the search team that the assessee has received accommodation entries through these companies. In our opinion, mere fact that the loan creditors company had low income in the form of operating profit or no fixed assets or incurred very low expenses is not the criteria as has been held in the case of CIT vs. Ms. Mayawati 338 ITR 563 dated 03.08.2011. Also, the Hon'ble Jurisdictional High Court in case of PCIT vs. Sreeleathers [2022] 143 taxmann.com 435 (Calcutta)/[2022] 448 ITR 332 (Calcutta)[14-07-2022], has held that where the assessee has furnished all the evidences with the AO and then no addition can be made if /ao has not done any enquiry. The Hon'ble Court has held as under:

“In the absence of any such finding, it is held that the order passed by the Assessing Officer was utterly perverse and rightly interfered by the Commissioner (Appeals). The Tribunal re-appreciated the factual position and agreed with the Commissioner (Appeals). The Tribunal apart from taking into consideration, the legal effect of the statement of AKA also took note of the fact that the notices which were issued by the Assessing Officer under section 133(6) to the lenders were duly acknowledged and all the lenders confirmed the loan transactions by filing the documents which were placed before the tribunal in the form of a paper book. These materials were available on the file of the Assessing Officer and there is no discussion on this aspect. Thus, the tribunal rightly dismissed the appeal filed by the revenue. [Para 5]’

- 2.4. Considering the facts and circumstances of the case and also ratio laid in the above decisions, we are inclined to set aside the order of learned CIT (A) and direct the AO to delete the addition. The appeal of the assessee is allowed.
3. The second issue raised by the assessee is against the confirmation of addition of disallowance of interest amounting to ₹13,315/- paid to EAPL which was disallowed by the learned AO. This issue is consequential to the ground no.2, and accordingly, the order of learned CIT (A) is set aside and AO is directed to delete the addition.
4. In the result, the appeal of the appeal of the assessee is allowed.

Order pronounced in the open court on 02.12.2025.

Sd/-
(PRADIP KUMAR CHOUBEY)
(JUDICIAL MEMBER)

Sd/-
(RAJESH KUMAR)
(ACCOUNTANT MEMBER)

Kolkata, Dated: 02.12.2025

Sudip Sarkar, Sr.PS

Copy of the Order forwarded to:

1. The Appellant
2. The Respondent
3. CIT
4. DR, ITAT,
5. Guard file.

BY ORDER,

True Copy//

Sr. Private Secretary/ Asst. Registrar
Income Tax Appellate Tribunal, Kolkata