INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "D": NEW DELHI

BEFORE
SHRI G.S. PANNU, HON'BLE PRESIDENT
AND
MS. ASTHA CHANDRA, JUDICIAL MEMBER

ITA No. 716/Del/2020
Asstt. Year: 2015-16

DCIT, Circle-1(1)(1), International Taxation, New Delhi.	Vs.	Aedas Pte. Ltd. 11-01, Keppel Towers, 10 Hoe Chiang Road, Singapore, SG 089315, Foreign Singapore. PAN AAICA4878K
(Appellant)		(Respondent)

Assessee by:	Shri Deepak Chopra, Advocate & Ms. Rashi Khanna, Advocate
Department by:	Shri Vizay Vasanta, CIT- DR
Date of Hearing:	25.04.2023
Date of pronouncement:	10.07.2023

O R D E R

PER ASTHA CHANDRA, JM

The appeal filed by the Revenue is directed against the order dated 19.11.2019 of the Ld. Commissioner of Income Tax (Appeals) – 42, New Delhi **("CIT(A)")** pertaining to Assessment Year **("AY")** 2015-16.

2. The Revenue has raised the following grounds of appeal:-

"1. Whether on the facts and on the circumstances of the case, the Ld. CIT(A) is correct in holding that receipt from customers in India for rendering design services is not FTS as per article 12(4) of India Singapore DTAA.

2. Whether on the facts and circumstances of the case Ld. CIT(A) was correct in holding that the assesee did not make available expertise to Indian clients while transferring the all encompassing design including concept designs, schematic designs architectural design etc. and ignoring specific clauses of agreements which clearly indicate make available (eg Clauses 14&23 of agreements with L&T).

3. Whether on the facts and circumstances of the case Ld. CIT(A) was correct in holding that receipts from Indian clients of the assesee were alternatively not taxable as royalty as royalty under Singapore DTAA. The CIT(A) ignored the fact that receipts were for use and right to use of technical design."

3. Briefly stated, the facts are that the assessee is a company incorporated under the laws of Singapore and is a tax resident of Singapore. The assessee is engaged in the profession of rendering project specific architectural design services. The architectural designs provided by the assessee are executed in Singapore. These designs are highly technical in nature and require a great degree of technical knowledge and expertise. During the AY 2015-16, the assessee earned revenue amounting to Rs. 10,81,68,728/- from customers in India from rendition of architectural design services. For the AY 2015-16 the assessee filed its return of income on 31.03.2017 declaring NIL taxable income and claimed a refund of INR 89,53,140 on account of taxes withheld by customers in India. The assessee's case was selected for scrutiny and statutory notices under section 143(2) and 142(1) of the Income Tax Act, 1961 **('the Act")** were issued to the assessee wherein the necessary information/details regarding the impugned receipts by the assessee were called for which were duly submitted by the assessee and examined.

3.1 During the course of assessment proceedings, the assessee was show caused as to why the payment received in lieu of architectural design services should not be taxed as Fees for Technical Services **("FTS")** and/or royalty in terms of Article 12 of the Double Taxation Avoidance Agreement between India and Singapore **("India-Singapore DTAA")**. In response thereto, as regards taxability of such payments as FTS, the assessee submitted that it merely creates designs and transfers them to the customers and does not impart any technical knowledge or science or training or skill or experience in the field of architecture so as to enable the clients to apply the technology contained therein by themselves. And hence

the payments received by the assessee from its customers in India are not taxable as FTS under Article 12(4) of the India-Singapore DTAA.

3.2 As regards taxability of the payments received by the assessee as royalty on alternate basis by the Ld. Assessing Officer **("AO")** the assessee submitted that it is engaged in creation and development of architectural designs as per the requirements of its clients in relation to its projects. The payments relate only to the services rendered in designing and developing the architectural designs which are unique to the requirements of the client and their projects. It was further submitted that it is not revenue or rent that is receivables for the right to use such designs or plans and that remuneration specifically takes the character of a professional fee rendered for professional designing services and therefore cannot be of the nature of royalty as defined under Article 12 of the India Singapore DTAA.

3.3 The submissions of the assessee were not found tenable by the Ld. AO who proceeded to tax these payments as FTS and alternatively as royalty under the provisions of the Act as well as under Article 12 of the India-Singapore DTAA as well as section 9(1)(vii) of the Act vide his draft assessment order dated 29.12.2017. The assessee did not file objections before the Ld. DRP consequent to which the Ld. AO passed the final assessment order under section 144C(3)/144 of the Act on 20.02.2018. Aggrieved the assessee preferred appeal before the Ld. CIT(A). The Ld. CIT(A) examined the issue in details and held that the payments received by the assessee from its customers in India through rendition of architectural design services could not be characterised as FTS and /or royalty in terms of Article 12 of India Singapore DTAA for the reasons recorded in his appellate order.

4. Dissatisfied, the Revenue is in appeal before the Tribunal. Ground No. 1 and 2 relate to the taxability of the payments received by the assessee as FTS in terms of Article 12(4) of the India-Singapore DTAA and ground No. 3 relates to the taxability of these payments as royalty under Article 12(3) of the India-Singapore DTAA on an alternate basis.

5. The Ld. DR strongly supported the order of the Ld. AO. He referred to work order/agreement between L&T and the assessee specifically clause 14 and clause 23 thereof (page 145 and 154 of the Paper Book) relating to ownership of documents copyrights and the representations by the consultant to infer that the payments received by the assessee falls within the purview of FTS/royalty.

6. The Ld. AR relied on the findings of the Ld. CIT(A) and submitted that the Ld. CIT(A) has independently and exhaustively examined the issue after calling for additional details/documents. He relied on the decision of the Mumbai Bench of the Tribunal in the case of DCIT vs. Forum Homes (P) Ltd. (2022) 192 ITD 184 (Mum. Trib.) wherein the Tribunal on the similar fact pattern has held that the payment received in lieu of architectural design services does not qualify as FTS. Further, relying on the decision of the Pune Bench of the Tribunal in the case of Gera Developments P. Ltd. vs. DCIT (2016) 160 ITD 439 and decision of the Calcutta High Court in CIT vs. Davy Ashmore India Ltd. (1990) 190 ITR 626 submitted that the impugned payments received by the assessee could not be characterised as royalty in terms of Article 12(3) of the India-Singapore DTAA.

7. We have heard the Ld. Representative of the parties and perused the material on record. With respect to ground No. 1 and 2, the Ld. CIT(A) has recorded his detailed findings in paras 6.2 – 6.33 of his appellate order concluding that the payments received by the assessee fall within the purview of exclusion clause embedded in Article 12(4)(c) of the India-Singapore DTAA which provides for exclusion of service that does not enable the person acquiring the service to apply the technology contained therein. Therefore, these payments are not chargeable to tax in India as FTS. The key findings of the Ld. CIT(A) are summarised as under:-

i) The Ld. CIT(A) called for additional details and documents, such as, party-wise revenue, party-wise agreements, frequency of visit in India by professionals from assessee concern to

discharge services, methodology of delivery of services, sample emails reflecting the delivery of services, duration of project party-wise, etc for evaluating the true nature of services, which were duly furnished by the assessee vide letter dated 28.01.2019 (copy at pages 104-175 of the Paper Book).

ii) Upon evaluation of these additional details, the Ld. CIT(A) observed that the emails exchanged between the assessee and its clients were generic in nature and contained discussion regarding the timelines to complete the task and its follow-up sharing of PDF of design intent. The emails nowhere indicated the fact of sharing step wise process of preparing such design / plan.

iii) Secondly, scope of work as per agreement with the clients did not include transfer of technology / knowledge / skill set to the client and that there was no clause regarding capacity building of client's resources in the agreement.

iv) Thirdly, the agreements bound the client to separately engage the services of independent Local architect who, in turn, assisted the client in putting such designs provided by the assessee to use by aiding in construction of building and thus, the deliverables could not have been independently applied by the client for their immediate or any other project.

v) Fourthly, the agreements could not be said to be all-encompassing as the assessee only addressed the preliminary requirement of its clients, viz., conceptualising the designs and in no manner met the be all and end all requirement of the client so as to enable the client to undertake construction solely based on the services provided by the assessee. Rather, the client had to additionally engage a local architect who assisted them with the execution of the project.

vi) Fifthly, the deliverable was closely knitted to the project and could not have been utilised by the client independently in any other project without the services of the assessee. This is evidenced from the fact that the assessee has entered into multiple agreement with the same client such as ARCOP Associates Pvt. Ltd.

vii) Even the role of the local architect was clearly defined and was limited to providing inputs from local regulation perspective.

viii) That under Article 12(4)(c) of the India-Singapore DTAA, services that do not enable the person acquiring them to apply the technology contained therein are excluded from the ambit of "Fees for Technical Services".

ix) That there is a distinction between imparting conclusions vis-a-vis imparting 'Knowledge' and it is important to distinguish the same to decide a case of 'make available'.

x) Lastly, the instant case deals with imparting of conclusion in the form of architectural plans and designs and therefore, in view of restricted definition of FTS under the treaty, these services/ payments would not partake the character of 'Fees for Technical services' in terms of Article 12 of the India-Singapore DTAA.

7.1 It is an undisputed fact that the assessee is a tax resident of Singapore and does not have a permanent establishment in India. Hence it has opted to be governed by the provisions of the India-Singapore DTAA being more beneficial to it.

8. Article 12(4) of India-Singapore DTAA reads as under:-

"Article 12

Royalties And Fees For Technical Services

4. The term "fees for technical services" as used in this Article means payments of any kind to any person in consideration for services of a managerial, technical or consultancy nature (including the provision of such services through technical or other personnel) if such services:-

(a) are ancillary and subsidiary to the application or enjoyment of the right, property or information for which a payment described in paragraph 3 is received; or

(b) make available technical knowledge, experience, skill, know-how or processes, which enables the person acquiring the services to apply the technology contained therein; or

(c) consist of the development and transfer of a technical plan or technical design, but excludes any service that does not enable the person acquiring the service to apply the technology contained therein.

For the purposes of (b) and (c) above, the person acquiring the service shall be deemed to include an agent, nominee, or transferee of such person."

9. From the above, it is apparently clear that a mere rendering of technical service is not roped in the purview of Article 12(4)(c) unless the person utilising such services is enabled to apply the technology contained therein. It is a matter of fact that the assessee has rendered project specific architectural design services to its customers in India which services require highly technical expertise and hence these services partake the nature of technical services. It is however the case of the assessee that though the assessee has rendered technical services to its clients in India in terms of Article 12(4) of India-Singapore DTAA, it has not 'made available' any technical knowledge and skill etc. to its Indian clients and hence it falls within the exception clause embedded in Article 12(4)(c) of the India-Singapore DTAA and thus the impugned payments received by it could not be taxed as FTS.

9.1 The assessee provides architectural design services which are project specific. These services involve creation of designs and architectural drawings and prints which are as per the requirement of its Indian customers and specific to a particular project. Thus the assessee is rendering technical services and is engaged in the development and transfer of technical plans or technical designs so as to satisfy the first limb of Article 12(4)(c) of the India-Singapore DTAA. What is now left to be examined is that

whether the architectural design services rendered by the assessee would enable its Indian customers to apply the technology contained in such architectural designing services.

9.2 In the case of Forum Homes (P) Ltd. (supra) the Mumbai Bench of the Tribunal analysed the applicability of Article 12(4) of the India-Singapore DTAA involving similar issue on similar fact pattern as that of the assessee. In this case, the assessee, a resident company was developing a residential project in India and had availed architectural services from three non resident entities located at Singapore and paid fees to these non resident entities in consideration thereof. The Tribunal held that conditions of Article 12(4) of the India-Singapore DTAA were not fulfilled and the said fee could not be qualified as FTS since while providing architectural services neither any technical knowledge, skill, experience, know-how etc. was made available for utilising them in future independently nor any developed drawing or design have been provided to the assessee which could be applied by the assessee independently. The relevant observations and findings of the Tribunal is reproduced below:-

"9. A reading of article 12(4) of the tax treaty would make it clear that payment made to a resident of one of the contracting state can be regarded as FTS, if, in course of providing managerial/technical or consultancy services, technical knowledge, experience, skill, know-how or processes is made available which enables the person acquiring such services to apply the technology contained therein. It further provides, if the services consist of development and transfer of a technical plan or technical design, but excludes any services that does not enable the person acquiring the service to apply the technology ITA 5804/Mum/2018 contained therein would not qualify as FTS. In the facts of the present appeal, the payments made and the nature of services rendered are as under:-

Sr.No.	***Name of the party***	***Country***	***Amount (Rs.)***	***Nature of services***
1.	*Arc Studio Architecture + Urbanism Pte Ltd*	*Singapore*	*2,85,35,269/-*	*Architectural drawing / design in relation to BKC project.*
2	*Web Structures Pte Ltd*	*Singapore*	*68,57,342/-*	*GFC drawing / design in relation to BKC project*
3	*RMR Engineers Pte Ltd*	*Singapore*	*12,24,464/-*	*MEP drawing / design in relation to BKC project*
	Total		*3,66,17,075/-*	

10. Thus, as could be seen, the scope of work is limited to various types of drawings and designs for the residential project being developed at BKC. On further verification of facts on record, it is evident that insofar as Arc Studio Architecture + Urbanism Pte Ltd is concerned, it will provide an illustrative site/roof plan showing all the components of the project, general landscape, recommendation and overall infrastructure elements, such as, entry driveways and service circulation, Diagram showing each of the major public at 1:200 scale, image board to describe the architectural character of the project etc. The scope of work also requires the entity to prepare schematic design drawings, approved by the client, in case of minor adjustment. The terms of the agreement make it clear that the design, drawing, rendering, model, specification, electronic files including database and spreadsheets and other derivation that are part of the ITA 5804/Mum/2018 project will remain the intellectual property of the service provider and are intended for use solely with respect to the project. It further restrains the assessee from utilizing such intellectual property for any other project or for addition to the subject project or for completion of the project by any other entity. Similar is the scope of work and terms and conditions in respect of Web Structures Pte Ltd, another non-resident entity.

11. Thus, from the nature of services provided by the non-resident entities and the terms and conditions under which it was provided, it is clear that whatever services were provided are project specific and cannot be used for any other project by the assessee. Further, while providing such services neither any technical knowledge, skill, etc is made available to the assessee for utilizing them in future, independently nor any developed drawing or design have been provided to the assessee which can be applied by the assessee independently. Thus, it is very much clear, the conditions of article 12(4) of the tax treaty are not fulfilled.

12. Though, the Assessing Officer has generally observed that in course of providing services to the assessee, the non-resident entities have made available technical knowledge, know-how, processes to the assessee. However, no substantive material has been brought on record by him to back such conclusion. Even, before us, learned departmental representative has not brought any material to demonstrate that conditions of article 12(4) have been fulfilled in the facts of the present case. In view of the aforesaid we do not find any valid reasons to interfere with the decision of learned Commissioner (Appeals). Accordingly, we uphold the order of learned Commissioner (Appeals) on the issue by dismissing ground raised."

9.3 We have also perused the order of the Ld. CIT(A) and find that the Ld. CIT(A) has analysed the impugned issue in great detail and recorded his findings after considering all the material details and documents involving party-wise agreements sample emails reflecting the delivery of services, duration of project party-wise on sample basis etc. for evaluating the true nature of services rendered by the assessee and held that these services would not partake the character of FTS in terms of Article 12(4) of India-Singapore DTAA. The findings of the Ld. CIT(A) remain uncontroverted by the Revenue. We therefore, find no reason to interfere with the order of the Ld. CIT(A).

10. In view of the above factual matrix and following the decision of the Tribunal in Forum Homes (P.) Ltd. (supra), we are of the considered view that the payments received by the assessee in view of architectural design services rendered to its clients in India are not chargeable to tax as FTS in terms of Article 12(4) of the India-Singapore DTAA. Accordingly, we uphold the order of the Ld. CIT(A) on the impugned issue and dismiss ground No. 1 and 2 raised by the Revenue.

11. In ground No. 3 the Revenue is aggrieved that the Ld. CIT(A) held that the payments made to the assessee could also be not characterised as royalty under India-Singapore DTAA.

11.1 The Ld. AO, on an alternate basis, alleged that the designs developed by the assessee constituted intellectual property and therefore, any income from transfer of any right in connection with such IPR tantamount to royalty under Article 12(3) of the India- Singapore DTAA. The Ld. CIT(A) however did not agree with this view of the Ld. AO and held that these payments could not be characterised as royalty in terms of Article 12(3) of India-Singapore DTAA for the reason that the assessee does not retain the designs and the ownership of the design gets transferred to the client and that the contracts entered by the assessee with the clients are for development / conceptualisation of the designs and not for transfer of mere right to use of an existing design. For the sake of clarity, the observations and findings of the Ld. CIT(A) in para 7.2 to 7.15 of his appellate order are reproduced hereunder:

"7.2 I have gone through the facts of the case, appellant submission and assessment order of the AO. The relevant facts of the case are that the appellant company is engaged in creation and development of architectural designs as per the specific requirements of its clients in relation to its projects. The payments relate only to the services rendered in designing and developing the architectural designs which are unique to the requirements of the customers and their projects. Therefore, the appellant contended that the revenues earned by the Appellant cannot be termed as 'Royalty' in accordance with Article 12 of the India - Singapore DTAA.

7.3 During the Assessment Year 2015-16, the-Appellant earned revenues from customers in India from rendition of architectural design services. The revenues of INR 108,168,730/-

earned from customers in India was claimed as not taxable in the ROI keeping in view the provisions of Article 12 ('Royalties and Fees for Technical Services') of the India - Singapore Double Taxation Avoidance Agreement ('India - Singapore DTAA'). The appellant submitted that remuneration specifically takes the character of a professional fee rendered for professional designing services and therefore, it cannot be of the nature of 'Royalty' as defined under Article 12 of the India - Singapore DTAA.

7.4 The Learned AO held that the project developed by the Appellant in form of architectural designs, plans, drawings, documents etc. constitutes an intellectual property right since there has been a transfer of such right from the Appellant to its client and the right to use such intellectual property lies with the client. Accordingly, the Learned AO has held the receipts of Rs. 10,81,68,728/- to be taxable as Royalty income on alternate basis.

7.5 At this stage, it may be relevant to reproduce the relevant extract of Article 12 of the India - Singapore DTAA which provides the definition of 'royalty' as under:

> *"3. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of or the right to use:*
> *(a) any copyright of a literary, artistic or scientific work, including cinematograph film or films or tapes used for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience, including gains derived from the alienation of any such right, property or information;*
>
> *(b) any industrial, commercial or scientific equipment, other than payments derived by an enterprise from activities described in paragraph 4(b) or 4(c) of Article 8."*

7.6 The appellant argued that a payment may be treated as royalty only where the person who is the owner of such patents, designs or models, plans, secret formula or process, etc., retains the property in them and permits only a right of exploitation of such patents, designs or models, plans, secret formula, etc. The appellant also submitted that Article 12(4) of India-Singapore DTAA is a specific clause dealing with FTS and therefore, if the nature of payments is specifically excluded by virtue of a narrower j scope, the AO cannot seek to bring the same under an alternate definition of Royalty I contained under Article 12(3) of India-Singapore DTAA. The appellant averred that it is a cardinal principal of law that specific provisions override the general provision. The appellant contended that the question whether a payment under an agreement is Royalty or FTS, must be decided strictly in accordance with the provisions of the Articles, based on the facts and circumstances of the case and the terms of the agreement.

7.7 The Appellant made reference to the various terms of the Service Agreement between M/s S&P Foundation Limited and the Appellant which has been referred to by the Learned AO. The appellant highlighted following points based on a holistic reading of the terms of Service Agreement:

- *the customer has engaged the Appellant as a consultant to undertake Master Planning & Architectural Design Consultancy Services for a specific project.*
- *The Appellant has the obligation and responsibilities to ensure that the services will be performed in a professional, efficient and a workmanlike manner, in accordance*

with the international standards and in this regard will engage employees who possess the requisite qualification and experience for providing the services.

- *In performance of the services, the Appellant will receive a service fee based on agreed milestone completion of work and provision of deliverables.*

7.8 Thus, basis a holistic reading of the terms of the contract, the appellant vehemently submitted that the nature of the contract is clearly for provision of designing services and not simpliciter use of or the right to use the design falling within the ambit of Royalty payments. The appellant pointed out that in the instant case, a project specific design/ model/ plan is developed and the same is handed over to the client in an as is manner', therefore, it would tantamount to 'rendition of services' as against royalty.

7.9 In this regard, the appellant placed reliance on the decision of ITAT, Pune in the case of Gera Developments Pvt. Ltd. (72taxmann.com238) wherein it is held that "the payments made by Assessee to Gensler were for making architectural drawings & designs for its particular commercial complex. The drawings & designs made by Gensler were project specific and there was no transfer of copyright in scientific work. The Assessee by no means could have benefitted by commercial exploitation of the designs and drawings of the particular building."

7.10 Further, the Appellant placed reliance on the following extract form the commentary to the Organization for Economic Co-operation and Development (OECD) Model Convention [2010 version]:

> *"10.2 A payment cannot be said to be "for the use of, or the right to use" a design, model or plan if the payment is for the development of a design, model or plan that does not already exist. In such a case, the payment is made in consideration for the services that will result in the development of that design, model or plan and would thus fall under Article 7. This will be the case even if the designer of the design, model or plan (e.g. an architect) retains all rights, including the copyright, in that design, model or plan. Where, however, the owner of the copyright in previously-developed plans merely grants someone the right to modify or reproduce these plans without actually performing any additional work, the payment received by that owner in consideration for granting the right to such use of the plans would constitute royalties"*

7.11 It may be relevant to take note of the relevant clauses of the agreement entered into with the clients to appreciate the correct position regarding transfer of copyright and ownership of the intellectual property. The clause "ownership of documents copyright" as per agreement with L&T reads as under:-

> *"After the completion of the project or the termination of the design consultant's employment, copyright in all documents, drawings, reports and specifications prepared by the Design consultant (soft copies as well as editable versions including ACAD, REV IT, 3DS Max, MAYA, Wire meshes/ Sketch-ups etc.) in any works executed from those documents shall remain the property of the Client whether the works for which they have been prepared are executed or not. However, the Drawings, specifications, Electronic Data, renderings, fly-throughs, sketches and other documents prepared by the Design consultant for this project are "deliverables" for use solely with respect to this Project only. The Design Consultant is the author of all deliverables and retains all common law, statutory and other*

reserved rights . The Deliverables and retains all common law, statutory and other reserved rights. The Deliverable may not be used by or through Design Consultant or Clients for other projects or for purposes or extensions to the project for which they were originally prepared except with the prior written consent of the Design consultant or Client. Design Consultant may include representations of the Project, including photographs of the exterior and interior, among Design Consultant's promotional and professional materials. Design Consultant will take required permissions from the client before using any images, photographs, etc. of the project."

7.12 The clause "ownership of documents copyright" as per agreement with "S&P Foundation" reads as under

"13. Ownership of intellectual property rights:-
The Intellectual property Rights of this project shall solely vest with the Company. The architectural designs, plans drawings, documents, sketches, specification, etc. made by the AEDAS shall not be used for any other project or publication in any manner whatsoever, except by the prior written approval of the company".

7.13 It flows from the above clauses that the ownership of the design lies with client for whom it has been developed. Thus, it is a case where the developed design/drawing is meant for the client and the developer does not retain any right on it. Effectively, it is a case of rendering technical services as against a case of Royalty.

7.14 Hon''ble Kolkata High Court in the case of CIT v/s Davy Ashmore India Ltd. [1990] (190 ITR 626) (Calcutta HC) held that Consideration for outright sale of drawings and designs (where the non- resident seller does not retain any property in them) cannot be characterized as "royally" as defined in Article 13 of the India-UK DTA. Further, AAR held in the case of Pro-quip Corporation v/s CIT [2001] (255 ITR 354) (AAR) that Consideration for the sale of engineering, drawings and designs cannot be construed as "royalty" as defined in Article 12 of the India-US DTAA (given that this is a case of an outright sale).

7.15 In view of the above, the service fee received by the Appellant does not fall within the purview of Royalty under Article 12(3) of India-Singapore DTAA and the income is not taxable in India. Hence, the ground of appeal to challenge the payment in the nature of Royalty in this case is allowed."

I1.2 It is evident from the above that the Ld. CIT(A) has considered this issue in an exhausted manner and after considering the facts of the assessee's case in the light of the decisions in the case of Gera Developments P. Ltd. (supra) and Devi Ashmore India Ltd. (supra) held that payments made to the assessee in consideration of architectural design services could not be classified as royalty under Article 12(3) of India-Singapore DTAA. Hence, we do not find any reason to interfere with the

findings of the Ld. CIT(A) and accordingly dismiss ground No. 3 of the Revenue.

12. In the result, appeal of the Revenue is dismissed.

Order pronounced in the open court on 10th July, 2023.

sd/-	**sd/-**
(G.S. PANNU)	**(ASTHA CHANDRA)**
PRESIDENT	**JUDICIAL MEMBER**

Dated: 10/07/2023

Veena

Copy forwarded to -
1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi

Date of dictation	
Date on which the typed draft is placed before the dictating Member	
Date on which the typed draft is placed before the Other Member	
Date on which the approved draft comes to the Sr. PS/PS	
Date on which the fair order is placed before the Dictating Member for pronouncement	
Date on which the fair order comes back to the Sr. PS/PS	
Date on which the final order is uploaded on the website of ITAT	
Date on which the file goes to the Bench Clerk	
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	