

**IN THE INCOME TAX APPELLATE TRIBUNAL
BANGALORE BENCH 'B', BANGALORE**

**BEFORE SHRI B. RAMAKOTAIAH, ACCOUNTANT MEMBER
AND
SHRI NARENDRA KUMAR CHOUDHRY, JUDICIAL MEMBER**

**ITA No.738(Bang) 2014
(Assessment years : 2005-06)**

M/s Tata Elxsi Ltd.,
ITPB Road, Hoody, White filed,
Bangalore-560 048
PAN No.AAACT7872Q

Appellant

Vs

The Addl. Commissioner of Income-tax
Range-12, Bangalore

Respondent

And

**ITA No.939/(Bang) 2014
(Assessment years : 2005-06)**

The Asst. Commissioner of Income-tax
Cirlice-12(4), Bangalore

Appellant

Vs

M/s Tata Elxsi Ltd.,
No.ITPB Road, Hoody, Whitefiled,
Bangalore-560 048
No.AAACT7872Q

Respondent

**Assessee by : Shri Padamchand Khincha, CA
Revenue by : Mrs Neera Malhotra, CIT-II**

**Date of hearing : 07-03-2016
Date of pronouncement : 18-03-2016**

ORDER

PER SHRI NARENDRA KUMAR CHOUDHRY, JM:

- A.** These are cross appeals by the assessee and the revenue respectively directed against an order dated 28-03-2014 of CIT(A), Mysore for the assessment years : 2005-06.
- B.** The assessee has raised the following grounds;
- “1. *The order passed by the learned Commissioner of Income tax (Appeals) - Mysore to the extent prejudicial to the appellant is bad in law and liable to be quashed.*
 2. *The learned Commissioner of Income tax (Appeals) - Mysore has erred*

in confirming the adhoc disallowance of staff welfare expenses at Rs.36,19,315/- computed at 25% of total staff welfare expenses of Rs.1,44,77,261/-.

3. *The learned Commissioner of Income tax (Appeals) - Mysore has erred in confirming the disallowance of bad debts relatable to IOA units to the extent of Rs. 80.75 lakhs.*
4. *The learned Commissioner of Income tax (Appeals) - Mysore has erred in confirming the adhoc disallowance of commission paid amounting to Rs. 5,00,000/-*
5. *The learned Commissioner of Income tax (Appeals) - Mysore has erred in confirming the adhoc disallowance of motor vehicle hiring expenses amounting to Rs. 5,00,000/-*
6. *The learned Commissioner of Income tax (Appeals) - Mysore has erred in confirming the reduction of export turnover of Rs. 38,79,909/- from the figure of export turnover for the reason that the same has not been received or brought into India.*
7. *The learned Commissioner of Income tax (Appeals) - Mysore has erred in confirming the reduction of export turnover of Rs. 2,00,00,000/- from the figure of export turnover for the reason that the same has not been received or brought into India.*
8. *The learned Commissioner of Income tax (Appeals) - Mysore has erred in not adjudicating the grounds that telecommunication charges of Rs. 2 crores, expenses incurred on overseas travel amounting to Rs. 10 crores, an amount of Rs. 15 lakhs being expenditure incurred on payment of commission to one Mr. Les Lawrence, a foreign national and a sum of Rs. 2,94,75,520/- being 20% of Rs. 14,73,77,601/- being consideration received for software development to overseas clients, should not be reduced from export turnover while computing deduction under section 10A.*
9. *The learned Commissioner of Income tax (Appeals) - Mysore has erred in not adjudicating the ground relating to levy of interest under section 234B. On facts and in the circumstances of the case, interest under section 234B is not leviable. The appellant denies its liability to pay interest under section 234B.*
10. *In view of the above and other grounds to be adduced at the time of hearing, the appellant company prays that the order passed by the learned Commissioner of Income tax (Appeals), Mysore, in so far it is prejudicial to the appellant, be quashed .*

Or in the alternative

- (i) *staff welfare expenses be allowed as a deduction in its entirety;*
- (ii) *bad debts written off be completely allowed as a deduction;*
- (iii) *commission payments be allowed as a deduction in its entirety;*

- (iv) *motor vehicle expenses be fully allowed as a deduction;*
- (v) *export turnover of Rs. 38,79,909/- be included in the figure of export turnover for the purpose of allowing deduction under section 10A;*
- (vi) *entire realization of export turnover deposited outside Indian in the foreign bank amounting to Rs. 2,00,00,000/- be considered as realization of "export turnover" and as a part of export turnover for the purpose of a computation of deduction under section 10A and no exclusion be made;*
- (vii) *expenditure in the nature of telecommunication charges of Rs. 2 crores be not excluded from export turnover;*
- (viii) *overseas travelling expenditure, payment of commission and the sum of Rs. 2,94,75,520/- be held as not incurred for providing technical services outside India and the same be not reduced from export turnover;*
- (ix) *the appellant be held as not engaged in providing technical services outside India.*
- (x) *the assessing officer be directed to make a correct computation of deduction under section 10A;*
- (xi) *Interest levied under section 234B be deleted.*

The Revenue has raised the following grounds;

- “1. *The order of the ld.CIT(A) is opposed to law and facts of the case.*
2. *On the facts and in the circumstances of the case, ld.CIT(A) erred in allowing the wrong claim of 75% of expenditure incurred for supplying lunch coupons, event management, foreign countries, gift coupons etc.despite the assessee not being able to prove that the same has been incurred for business purposes.*
3. *On facts and in the circumstances of the case, the ld.,CT(A) erred in law in holding that the travel expenditure cannot be disallowed because the same has been allowed in earlier years.*
- 4.. *On the facts and in the circumstances of the case, the ld.CIT (A) erred in holding that the forex gain is to be part of export turnover for computation of deduction u/s 10A despite it not being erred from the business of software export by placing reliance on the order of High Court of Karnataka in the case of Infosys Technologies Pvt.Ltd which has not reached finality in view of pending SLP of the department.*
5. *On the facts and circumstances of the case, ld.CIT(A) erred in law in directing the AO to exclude the reimbursement of certain expenses both from the export turnover as well as*

from total turnover for the purposes of computation of deduction u/s 10A, without appreciating the fact that the statute allows exclusion of such expenditure only from export turnover by way of specific definition of export turnover as envisaged by sub-clause(4) of Explanation-2 below sub-section(8) of sec.10A and the total turnover has not been defined in this section.

6. *On the facts and circumstances of the case, ld.CIT (A) erred in directing the AO to compute deduction u/s 10A in the above manner by placing reliance on the decision of the Hon'ble High Court of Karnataka in the case of M/s Tata Elxsi Ltd., which has not become final since the same has not been accepted by the department and SLPs are pending before the Hon'ble Supreme Court.*
7. *For these and other grounds that may be urged at the time of hearing, it is prayed that the order of the CIT(A) insofar as it relates to the above grounds may be reversed and that of the AO may be restored”.*

C. We shall take up the Assessee's appeal first.

Brief facts of the case are as under :-

That the assessee is a public limited company engaged in the business of design and development of computer software, engineering services, visual computing labs and systems integration. For the assessment year under consideration, the return of income was filed declaring a total income of Rs.9,34,65,814/-. An amount of Rs.19,81,80,819/- was claimed as deduction u/s 10A in the process of total income. Notice u/s 142(1) and 142(2) were issued and served on the assessee. Thereafter, the assessment was completed u/s 143(3) on 20-12-2007. The AO while passing the assessment order allowed some of the expenditure claim and disallowed the rest claim of the assessee.

D. Aggrieved by the said order of the AO, assessee preferred an appeal before the CIT(A), who has given partial relief to the assessee.

E. Aggrieved by the Impugned Order passed by the Ld CIT(Appeal), the assessee preferred the instant appeal .

1. GROUND NO.1 is general in nature and does not require any specific adjudication as its result depends upon adjudication of subsequent grounds.

2. **GROUND NO.2** pertains to ad hoc disallowance of staff welfare expenses of Rs.36,19,315/- confirmed at 25% of the total staff welfare expenses of Rs.1,44,77,261/- by Ld CIT(A) . It was argued by the Ld AR that during the assessment proceedings, the AO called for the details which were duly furnished and it was submitted that the ld. AO failed to bring any incriminating material on record to justify the adhoc disallowance of expenditure. The learned AR forcefully argued that the details called for were produced during the assessment proceedings and the impugned expenditure satisfies all the requirements of Sec.37 of the IT Act, 1061 , therefore, the revenue authorities cannot decide how much is the reasonable expenditure.. Even otherwise still the expenditure under instant head is continuing and consistence.

On the other hand, learned DR vehemently argued that the staff welfare expenses are in higher side and seems to be personal in nature and the observation of the AO is right in not sustaining the claim of the assessee.

We have given our thoughtful consideration to the facts, circumstances and the relevant material available on record and also the impugned orders passed by the authorities below. The Ld. AO had disallowed the expenses to the extent of 50% of the total amount and in appeal the learned CIT(A) restricted to the extent of 25% on the ground that some of the expenses are personal in nature.

It is important to mention herein that from the order of the AO, the detail of the expenditure reflects that there is no material to show that the said expenditures were not incurred. We have also gone through the contents of Sec.37 of IT Act, where there are certain bars for allowing the expenditures described in Section 31-36 of the IT Act. The wordings of Sec.37 reflects that if the expenditure not being Capital or personal expenditure but incurred wholly and exclusively for the purpose of business or profession, it shall be allowed to be excluded in computing the income eligible under the head “profits and gains of business or profession”. In our considered view, both the authorities below have acted on presumption and on their notions as seen from the AO’s Order, he also

considers the expenditure as personal in nature . Assessee being a corporate body so question of expenditure being personal in nature does not arise. It is clear that the said staff welfare expenses were incurred directly and exclusively for the purpose of business, because the staff welfare is the paramount in social arena for the growth and development of business therefore, we are the considered view to allow 100% expenditure qua staff welfare expenditure claim of the Assessee.

- 3. GROUND NO.3**, the assessee challenged that the learned CIT(A) erred in confirming the disallowance of bad debts relatable to Sec.10A units to the extent of Rs.80.75 lakhs. It is argued by the learned AR that the company is entitled for the disallowance of bad debts because, in any sense, they are unable to recover. It was further submitted that what is required is mere write off in the books of accounts, as relied on the decision of the Apex Court in the case of M/s TRF Limited Vs CIT (2010) 323 ITR 397 and the instant submission is fortified by several decisions.

Learned DR relied upon the orders of the lower authorities.

In our view, although, the provisions of IT Act, does permit written off of bad debts but it is important to establish that the debts should actually became bad, meaning thereby, irrecoverable.

However before coming to conclusion the ratio of judgment referred by the Learned AR is important to enumerate.

M/s TRF Limited Vs CIT (2010) 323 ITR .

In these appeals, we are concerned with Assessment Year 1990-1991 and Assessment Year 1993-1994. Prior to 1st April, 1989, every assessee had to establish, as a matter of fact, that the debt advanced by the assessee had, in fact, become irrecoverable. That position got altered by deletion of the word "established", which earlier existed in [Section 36\(1\)\(vii\)](#) of the Income Tax Act, 1961 ['Act', for short].

For the sake of clarity, we re-produce herein below provisions of [Section 36\(1\)\(vii\)](#) of the Act, both prior to 1st April, 1989 and post-1st April, 1989:

"Pre-1st April, 1989:

Other deductions.

36.(1) The deductions provided for in the following clauses shall be allowed in respect of the matters dealt with herein, in computing the income referred to in [section 28](#)-

(i) to (vi) xxxx xxxx xxxx

(vii) subject to the provisions of sub-section (2), the amount of any debt, or part thereof, which is established to have become a bad debt in the previous year.

Post-1st April, 1989:

Other deductions.

36.(1) The deductions provided for in the following clauses shall be allowed in respect of the matters dealt with therein, in computing the income referred to in [section 28](#)-

(i) to (vi) xxxx xxxx xxxx

vii) subject to the provisions of sub-section (2), the amount of any bad debt or part thereof which is written off as irrecoverable in the accounts of the assessee for the previous year."

This position in law is well-settled. After 1st April, 1989, it is not necessary for the assessee to establish that the debt, in fact, has become irrecoverable. **It is enough if the bad debt is written off as irrecoverable in the accounts of the assessee.**

Respectfully following judgment of Apex Court (Supra), we are inclined to allow deduction of Rs.80.75 lakhs under the head of bad debt.

- 4. GROUND NO.4**, the assessee challenged the impugned order passed on the ground that the learned CIT(A) has erred in confirming the ad hoc disallowance of commission to the tune of Rs.5.00 lakhs. The learned counsel for the assessee argued that the commission was paid for procuring orders and the commissions were paid to agents to help the assessee company in expanding its business and to derive income and the details of the commission paid and the agreements entered into one of the recipients was also furnished to the AO. It was further argued that the commission expenditure was incurred wholly or exclusively for the purpose of business and there is no incriminating material and/or evidence available before the AO for disallowance.

Learned DR relied on the orders of the authorities below.

It is evident that before the AO, assessee had claimed an amount of Rs.20,77,760/- under the head 'commission'. The AO considered the documents submitted by the assessee and after going through the same he disallowed a sum of Rs.5.00 lakhs from the said amount.

The learned CIT(A) after verifying the claim felt that the sale proceeds has not been brought into India in convertible foreign exchange within the statutory time period and hence, he confirmed the addition.

We have given our thoughtful consideration to submissions of both the parties. As the AO allowed more than 75% of the claimed amount under the head "commission", but disallowed to the tune of Rs.5.00 lakhs only on the presumption that what was the necessity of paying the commission to unknown persons and it was also not clear as to what are the nature of services rendered by the recipients to the companies. When

the major portion of the amount of commission has been allowed by the AO, there is no material/evidence to prove contrary to the claim of the assessee therefore, we feel it appropriate to allow 100% under the head 'commission'.

- 5. GROUND NO.5,** relates to the confirmation of ad hoc disallowance on motor vehicle hiring expenses amounting to Rs.5.00 lakhs. It was argued by the learned counsel for the assessee that the motor vehicle hiring expenses were of Rs.80,69,000/-. The AO had disallowed to the extent of Rs.5.00 lakhs only on the assumption that the element of personal use cannot be totally denied. Even otherwise, learned CIT(A) has not given any specific reason, while upholding the disallowance of Rs.5.00 lakhs.

We have given our thoughtful consideration and found that the AO added Rs.5.00 lakhs out of Rs.80,69,000/- just on the assumption and on wrong presumption that the element of personal use cannot be totally denied. Even otherwise, learned CIT(A) also failed to give any special reason while confirming the disallowance. Therefore, we feel it appropriate to allow the claimed amount of Rs.80,69,000/- under the head motor vehicle hiring expenses as deduction in its entirety .

- 6 GROUND no. 6,** the assessee argued that the export turnover of Rs.38,79,909/- should not be reduced from the figure of export turnover in computing the deduction u/s 10A of the IT Act, 1961.

Learned DR relied on the order of the CIT(A) on this issue.

We have considered the facts relating to these grounds, as the AO was pleased to reduce the aforesaid amount from the export turnover for the reason that the same has not been brought into India, till the date of order passed u/s 143(3) of the IT Act, or even during the appellate proceedings, the assessee failed to bring on record any evidence to substantiate the above amount that has been received in or brought into India. Hence we are inclined to dismiss the instant ground raised by the Assessee.

- 7. GROUND no.7** relates to the confirmation of reduction of export turnover of Rs.2.00 Crores from the figure of export turnover in computing

deduction u/s 10A, for the reason that the same has not been received or brought into India.

It was submitted by the Ld AR that letter of approval was obtained from RBI for opening a Bank Account outside India for depositing the amounts of exports turnover and the competent authorities has been accepting and have had no occasion to question or dispute the procedure adopted by the appellant and this practice has been accepted all along both by the income tax as well as the competent authority.

We have given our thoughtful consideration to the submission of the Ld AR and perused the Section 80HHC of the Act, therefore according to us, the said amount deemed to have been received and brought in India, hence we are inclined to allow the instant ground in favour of Assessee.

- 8. GROUND no 8,** the Assessee challenged the findings of the learned CIT(A) not adjudicating the ground qua telecommunication expenses of Rs.2.00 Crores and expenses incurred towards overseas travelling of Rs.10.00 Crores and an amount of Rs. 15 lakhs being expenditure incurred on payment of commission to one Mr. Les Lawrence, a foreign national and expenses incurred towards rendering services outside India a sum of Rs.2,94,75,502/- being 20% of Rs.14,73,77,601/- consideration received for services rendered to overseas clients outside India .

Re: Telecommunication expenses of Rs.2.00 Crores

It is submitted by the Ld AR that the Assessee has considered only an amount of Rs. 73,73,107/- under the head of telecommunication expenditure as against the expenses of Rs. 2,72,44,000/- under the head telephone data link, Courier and postage in respect of 10A unit alone. , however, the Ld AO adopted the expenditure to the tune of Rs. 2,00,00,000/- and reduced out of the export turnover , while computing the deduction u/s 10A of the act.

We have given our thoughtful consideration the submissions of the Assessee and also to the Order passed by Authorities below as the Ld AO felt that major amount would have been incurred in respect of export than for other purpose, therefore he had taken the value of telecommunication

at Rs. 2,00,00,000/- as adopted. The Ld CIT (A)n failed to adjudicate this head. We feel that the Ld AO adopted value at the higher rate only on the assumption but not on any basis relevant to, hence we restrict the amount under head of telecommunication to Rs. 73,73,107/- only and the same can be excluded but not otherwise.

Re : Expenses Incurred Towards Overseas Travelling of Rs.10.00 Crores.

AND

an amount of Rs. 15 lakhs being expenditure incurred on payment of commission to one Mr. Les Lawrence, a foreign national

It was argued by the Ld AR that the Assessee that the aforesaid charges were not incurred for providing technical service out of India as the appellant all time during the relevant previous years was not engaged in the providing technical services outside India. Even otherwise, said expenditures were though, being incurred in foreign currency and can not be excluded on estimated and adhoc basis.

We have gone through the relevant part of Assessment Order passed by the Ld AO in which , he held

Para 11.4 (v) “ that the Assessee has claimed as expenditure of Rs. 15,53,85000/- on overseas travel , apart from Rs. 94.85 Lacs as inland travel in respect of 10A unit . The major expenditure in respect of overseas travel has been incurred on boarding, lodging daily allowance, overseas conveyance, telephone and other charges paid in foreign currencies overseas. As discussed above, this expenditure will come under the ambit of expenditure incurred for technical services in foreign currency outside India. Evidently, the company executives are travelling abroad for providing technical services to their clients in nature setting up of software and operationalising it. Out of total expenditure of Rs. 15.53 Crores, I hold that expenditure to the extent of Rs. 10 Crores in respect of such technical services and therefore, this amount shall also be excluded out of the export turnover”.

Para 11.4 (vi) The expenditure incurred on commission amount to rs. 20.77 Lacs has been paid largely to Les Lawrence , a foreign national for procuring export orders and thus, for rendering services outside India. Accordingly, I hold that out of this expenditure, a sum of Rs.15.00 lakhs is purely relating to technical services and therefore, it shall be excluded out of the export turnover.

We realize, as it is evident from the operative part of order that the Ld AO only on assumption held that the Assessee is providing technical services and coming to this conclusion, failed to point out any material in support of the conclusion. The Ld. AO also taken expenses incurred towards overseas travelling of Rs.10.00 Crores and an amount of Rs. 15

lakhs being expenditure incurred on payment of commission to one Mr. Les Lawrence, a foreign national only on estimate basis. We feel it appropriate that because the Ld AO failed to bring any material on record qua providing of technical service by the Assessee and even otherwise, the amount worked out also to be on estimate basis which seems to be on assumptions therefore the said amount of Rs. 10 Crores and 15.00 Crores under the head of expenses incurred towards overseas travelling and expenditure incurred towards commission, respectively are not to be excluded, hence, exclusions made by the ld. AO are set aside.

Re: a sum of Rs.2,94,75,502/- being 20% of Rs.14,73,77,601/- consideration received for services rendered to overseas clients outside India.

It was held by the learned AO that "the assessee company had rendered services to the extent of Rs.14,73,77,601/-outside India to its overseas clients and received the above amount for such services. During the course of assessment proceedings, the assessee was asked as to how much is the expenditure relating to such services rendered outside India. The assessee mentioned that such expenditure may be above 5% of the receipts. However, I feel that 5% is too low a figure. Considering the facts of the case, I adopt this figure at 20% of the above receipts which works out to Rs.2,94,75,502/- and shall be reduced out of the export turnover, as it is in the nature of technical service rendered outside India".

We have given our thoughtful consideration on the facts and circumstances of the case, as well as the orders passed by the authorities below. As it reflects from the relevant part of the order passed by the learned AO that he adopted the figure under the aforesaid head at the rate of 20% of the above receipts and worked out to Rs.2,94,75,502/-. We have also considered the Clarificatory circular no.1/2013 dated 17-01-2013 issued by CBDT to address various contentious issues leading to tax dispute in cases of entities engaged in export of computer software which are availing tax benefit under section 10A, 10AA and 10B of the IT Act, 1961. Hence, we are of the view that the said amount cannot be excluded from export turnover, hence exclusions made by the ld. AO under the instant head is set aside.

9. GROUND NO.9, the Assessee's contention is that the learned CIT(A) has erred in not adjudicating the ground relating to levy of interest u/s 234B of the IT Act, 1961. The levy of interest, in our view consequential in nature therefore the assessee would be liable to pay the interest u/s 234B of the IT Act, 1961 according to the amount payable.

F. ITA No.939(B)/2014 (By the revenue)

In the revenue's appeal , the revenue challenged the impugned Order passed by Ld CIT(Appeal) on the grounds stated supra .

We feel it appropriate to adjudicate or reply to grounds of Revenue :-

Ground No. "1 : *The order of the ld.CIT(A) is opposed to law and facts of the case is accordingly answered in Assessee Appeal .*

Ground No. 2 : *that on the facts and in the circumstances of the case, ld.CITA) erred in allowing the wrong claim of 75% of expenditure incurred for supplying lunch coupons, event management, foreign countries, gift coupons etc. despite the assessee not being able to prove that the same has been incurred for business purposes .*

Question of this ground has been decided in favour of the Assessee vide ground no. 2 of Assessee Appeal and conclusion of the same is not repeated herein for the sake of brevity.

Ground no. 3 : *On facts and in the circumstances of the case, the ld.,CT(A) erred in law in holding that the travel expenditure cannot be disallowed because the same has been allowed in earlier years.*

Question of this ground has been decided in favour of the Assessee vide ground no. 5 of Assessee Appeal and conclusion of the same is not repeated herein for the sake of brevity.

However, it is clarified that *travel expenditure is also similar to Motor Car expenses on adhoc basis.*

Ground no. 4 : *On the facts and in the circumstances of the case, the ld.CIT (A) erred in holding that the forex gain is to be part of export turnover for computation of deduction u/s 10A despite it not being earned from the business of software export by placing reliance on the order of High Court of Karnataka in the case of Infosys*

Technologies Pvt. Ltd which has not reached finality in view of pending SLP of the department.

Controversy of this ground has been decided in favour of the Assessee vide ground no. 8 of Assessee Appeal and conclusion of the same is not repeated herein for the sake of brevity.

Ground no. 5 : *On the facts and circumstances of the case, ld.CIT(A) erred in law in directing the AO to exclude the reimbursement of certain expenses both from the export turnover as well as from total turnover for the purposes of computation of deduction u/s 10A, without appreciating the fact that the statute allows exclusion of such expenditure only from export turnover by way of specific definition of export turnover as envisaged by sub-clause(4) of Explanation-2 below sub-section(8) of sec.10A and the total turnover has not been defined in this section.*

Controversy of this ground has been decided in favour of the Assessee and conclusion of the same is not repeated herein for the sake of brevity.

Ground no. 6 : *On the facts and circumstances of the case, ld.CIT (A) erred in directing the AO to compute deduction u/s 10A in the above manner by placing reliance on the decision of the Hon'ble High Court of Karnataka in the case of M/s Tata Elxsi Ltd., which has not become final since the same has not been accepted by the department and SLPs are pending before the Hon'ble Supreme Court.*

Controversy of this ground has been decided in favour of the Assessee vide ground no. 8 of Assessee Appeal and conclusion of the same is not repeated herein for the sake of brevity.

Ground no. 7 : *For these and other grounds that may be urged at the time of hearing, it is prayed that the order of the CIT(A) in so far as it relates to the above grounds may be reversed and that of the AO may be restored".*

Order passed by the Ld CIT(Appeal) is partly allowed in favour of the Assessee and conclusion of the same is not repeated herein for the sake of brevity.

We finally hold that as while deciding the Assessee Appeal , all the same as well as the other grounds have been elaborately discussed and adjudicated upon and result of the same is direct effect on the Revenue appeal, hence the instant appeal of the revenue stands dismissed.

G. To summarize the result, the Assessee's appeal is allowed,

However the appeal filed by the revenue is dismissed.

Order pronounced in the open court o 18th March, 2016.

Sd/-
(BOMMARAJU RAMAKOTAIAH)
ACCOUNTANT MEMBER

Sd/-
(NARENDRA KUMAR CHOUDHURY)
JUDICIAL MEMBER

Bangalore:

D a t e d : 18-03-2016

am*

Copy to :

- 1 Appellant
- 2 Respondent
- 3 CIT(A)-II Bangalore
- 4 CIT
- 5 DR, ITAT, Bangalore.
- 6 Guard file

By order, AR, ITAT, Bangalore