

**IN THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD BENCH "A", HYDERABAD**

**BEFORE SHRI D. MANMOHAN, VICE PRESIDENT  
AND SHRI S. RIFAUR RAHMAN, ACCOUNTANT MEMBER**

**ITA No. 2186/Hyd/2017  
Assessment Year: 2013-14**

M/s BS Ltd., Hyderabad

vs. Asst. Commissioner of  
Income-tax,  
Central Circle – 2(3),  
Hyderabad.

PAN – AAACB 3170 F

(Appellant)

(Respondent)

Assessee by : Shri P. Murali Mohan Rao  
Revenue by : Shri Deepak P. Ripote

Date of hearing : 03-04-2018  
Date of pronouncement : 27-04-2018

**ORDER**

**PER S. RIFAUR RAHMAN, A.M.:**

This appeal is preferred by the assessee against the order passed u/s 143(3) r.w.s. 153A & 144C(13) of the Income Tax Act, 1961 (in short 'the Act') dated 29/11/2017 relating to AY 2013-14.

2. Brief facts of the case are, a search and seizure operation u/s 132 of the Income-tax Act, 1961 was conducted in the business premises of the assessee on 13/12/2013. Consequent to search and seizure, notice u/s 153A of the Act, dated 29/10/2014 was issued and served on the assessee. In response to the notice issued, the assessee filed its return of income on 13/01/2015 declaring total income of Rs. 80,18,23,430/-. Notice u/s 143(2) dated 18/05/2015 was issued and served on the assessee. Thereafter, a detailed questionnaire was issued vide notice u/s 142(1), dated 20/05/2015. A

reference was made to the Transfer Pricing Officer (TPO) as the assessee had entered into international transaction worth Rs. 12,68,25,000/- with its Associate Enterprise M/s BS Global Resources Pvt. Ltd. for determination of arm's length price.

### 2.1 Assessee's Profile:

The assessee company is engaged in the business of providing a range of services to power transmission companies for setting up transmission lines and sub-stations. The company has two manufacturing facilities which are located near Hyderabad with an annual installed capacity of 2,40,000 MTPA. Company is certified with quality management (ISO 9001:2008), Environmental Management (ISO 14001:2004) and occupational Health and Safety (OHSAS 18001:2007)

### 2.2 International Transactions:

As per 3CEB report/TP Document submitted, the international transactions are as under:

Investment in subsidiary	Rs. 12,68,25,000
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### 2.3 Examination of TP study conducted by assessee:

The assessee has carried out the economic analysis and has summarized it as under:

Nature of international transaction	Amount (Rs.)	MAM	PLI	Margin of assessee	Margin of compalrable
Investment in subsidiary	12,68,25,000/-	-	-	-	-
Corporate Guarantee	13,58,87,500/-	-	-	-	-

#### 2.4 Analysis of the Transaction:

As per the audited statement of accounts the financials of the assessee are as under:

Description	Amount (in Rs.)
Operating revenue	1513,50,23,981/-
Operating cost	1395,66,78,642/-
Operating profit	117,83,45,339/-
OP/TC	8.44%
OP/sales	7.79%

#### 2.5 Analysis by the assessee:

The assessee has made investments in the subsidiary company during the year under consideration. The shares have been allotted by the subsidiary company to the assessee company for the investments made, is shown as under:

S.No.	Name of AE	Amount in INR	No. of shares allotted	Date of share certificate
1.	BS Global Resources Pvt. Ltd.	1,11,90,000	2,50,000	14/09/2012
2.	BS Global Resources Pvt. Ltd.	9,34,90,000	20,79,300	30/10/2012
3.	BS Global Resources Pvt. Ltd.	2,21,45,000	5,00,000	03/01/2013

2.6 The TPO observed that the assessee company has submitted certificate of investment in its AE. He noted that it is seen from the certificate that it is obtained on face value. As the transaction is capital in nature, it is treated at arms length, hence, no adjustment was proposed.

2.7 TPO observed that the assessee has extended corporate guarantee to its AE and the closing balance as on 31/03/2014 is Rs.

13,58,87,500/- . On Query, the assessee submitted that the corporate guarantee extended to AE without any charge/fee and in compliance of the requirement of business. When the assessee was show caused as to why a corporate guarantee fee @ SBI is not to be charged and proposed for adjustment, the assessee submitted its reply stating that corporate guarantee is not an international transaction as per income-tax Act and adopting the SBI rate corporate guarantee fee is not appropriate for the CUP method.

2.8 The TPO after considering the submissions of the assessee, referring to the provisions of section 92B by the Finance Act, 2012 and OECD guidelines, did not accept the contention of the assessee that corporate guarantee of the nature provided will not come within the meaning of international transaction in terms with section 92B of the Act and he collected the information from SBI by issue of notice u/s 133(6), as per which, loans upto Rs. 5 crores, the bank guarantee charges are 2.10% per annum, from Rs. 5 to 10 crores is 1.60% and above Rs. 10 crores the charges are 1.30% per annum. He, accordingly, computed the ALP of corporate guarantee fee as under:

Amount of corporate guarantee extended to AE (Corporate guarantee issued on 22/12/2012)	Rs. 13,58,87,500
Corporate guarantee fee @ 1.30% (for 3 months 9 days)	Rs. 4,79,143/-

Thus the arm's length price of corporate guarantee fee is Rs. 4,79,143/- and the shortfall of the same amount is treated as an adjustment u/s 92CA of the Act and the total income of the assessee was enhanced by Rs. 4,79,143/- u/s 92CA(3) of the Act.

3. When the assessee objected the same before the DRP, the DRP upheld the action of the TPO.

CORPORATE MATTERS

4. Apart from the adjustment to international transactions, disallowance of interest was also made by the AO as under:

- |  |                    |
|--|--------------------|
| 1. Interest disallowance on account of sham transactions                 | Rs. 71,33,23,290/- |
| 2. Interest disallowance on payments made to Silverpoint Infratech Ltd., | Rs. 1,37,88,369/-  |

5. As regards disallowance of interest on account of sham transactions, during the year under consideration, the assessee had purchases and sales from so many concerns and it includes purchases of Rs. 377,64,15,403/- and sales of Rs. 379,98,14,065/- with related parties in which relatives of the director are interested in holding substantial interest such as Vedika Steels Pvt. Ltd., SB Metals Pvt. Ltd., Adarsh Global Traders and Services Pvt. Ltd., Resource Metals & Minerals Pvt. Ltd. and United Mineral Resources Pvt. Ltd.

5.1 During the course of assessment proceedings, the AO observed that the purchases with the above alleged parties as stated in above para were paper transactions, non genuine and sham by stating that the specified concerns are related to the assessee company and concluded that the funds used in the above purchases were interest bearing and accordingly worked out the disallowance as under:

The payments & receipts of the assessee company with related concerns for AY 2013-14 are as under:

S.No.	Related concerns	Payments made by BS Ltd.	Receipts of BS Ltd. from related concerns
1	SB Mebtals Pvt. Ltd.	2,84,31,49,925/-	9,71,29,700/-
2	Adarsh Global & Trades Pvt. Ltd.	71,54,26,344/-	1,98,00,000/-
3	Resources Metals Pvt. Ltd.	56,90,95,433/-	15,52,00,000/-

4	Vedika Steels Pvt. Ltd.	16,59,64,599/-	2,17,69,93,000/-
5	United Minerals Pvt. Ltd.	-	-
	Total	429,36,36,301/-	244,91,22,700/-

The AO found that during the year, there is excess payment of Rs. 184,45,13,601/- i.e. (4293636301 – 2449122700) by the assessee company resulting in unwarranted financial burden.

5.2 The financial cost of the assessee company debited to P&L A/c for AY 2013-14 are as under:

Particulars	AY 2013-14
Interest on cash credit	38,95,48,064
Interest on car loan	10,37,218
Interest on term loan	16,22,23,210
Loan processing charges	2,43,78,681
Other borrowing costs	49,42,77,339
Total finance cost debited to P&L A/c	107,14,64,461

5.3 The AO observed that interest on cash & other borrowing cost is to be considered while computing disallowance of interest cost towards sham transactions. However, interest on car loan & interest on term loans are to be exclude as such interest cost is incurred specifically towards purchase of car & capital assets (term loans). Loan processing charges are incurred for cash credit, finance of cars/capital assets & other borrowing costs. As such, for AY 2013-14, the same is apportioned on the basis of interest paid i.e. Rs. 88,38,25,403/- (interest on cash credit, other borrowing cost) and Rs. 1,72,60,428/- (interest on car loan/term loan) the ratio being 98.08%. Thus, 98.08% of Rs. 2,43,78,681/- i.e. Rs. 2,39,10,610/- only is considered for computing disallowance of interest.

Particulars	AY 2013-14
Interest on cash credit	38,95,48,064
98.08% of interest on term loan	2,39,10,610
Other borrowing costs	49,42,77,339

Total finance cost to be considered for disallowance on account of sham transactions	90,77,37,013
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The details of purchases in the books of BS Ltd for AY 2013-14 are as under:

S.No.	Related concerns	Purchases
1	SB Metals Pvt. Ltd.	263,43,72,667/-
2	Adarsh Global & Trade Pvt. Ltd.	72,52,13,258/-
3	Resources Metals Pvt. Ltd.	41,68,29,478/-
4	Vedika Steels Pvt. Ltd.	-
5	United Minerals Pvt. Ltd.	-
	Total purchases (related concerns)	377,64,15,403/-
	Other purchases (unrelated concerns)	102,92,43,281/-
	Total purchases debited to P&L A/c	480,56,58,684/-

Thus the disallowance of interest was worked out by the AO as under:

$$\text{Disallowance} = \frac{377,64,15,403}{480,56,58,684} \times 90,77,36,013$$

$$= 71,33,23,290/-$$

5.4 Aggrieved, the assessee raised objections before the DRP about the said disallowance. After considering assessee's objection, the DRP considered it appropriate to direct the AO to verify the claims as to correctness of payments made to the related parties and also as to correctness of interest debited in the P&L A/c. The DRP directed the AO to examine the plea whether the interest expenses has to be disallowed with reference to the other costs or could be attributable to purchase after examining the cash flow/fund flow statement. The DRP also directed the AO to compute interest disallowance on day to day basis.

5.5 As per the directions of the DRP, the AO calculated the disallowance of interest at Rs. 27,94,43,971/- considering the date of

purchase and the year ending 31/03/2013 adopting rate of interest @ 13.5%.

6. As regards the interest disallowance on payments made to M/s Silver Point Infratech Ltd., the assessee is regularly receiving contract works from various parties such as Maco Corporation India P. Ltd., Sunag Engg. P. Ltd. & Vishwaraj Infra and the same is sub-contracted to various parties and one of them is Silver Point Infratech Ltd. During this AY, the assessee made a payment of Rs. 11,03,06,948/- towards contract payment. In this connection, the assessee submitted a ledger extract for the period 01/04/2011 to 31/03/2012 wherein an amount of Rs. 1,13,88,228/- was paid but no interest was charged in AY 2012-13 as per its policy. It was therefore submitted that disallowance of interest cannot be made in the AY under consideration.

6.1 However, the AO observed that the payments to M/s Silver Point Infratech Ltd. had been made without any business prudence & exigency, thus, entailing financial cost to the assessee company and accordingly charged interest @ 12.5% attributable to such amount of Rs. 11,03,06,948/- and disallowed an amount of Rs. 1,37,88,369/-.

6.2 When the assessee objected the same before the DRP, the DRP upheld the action of the AO by observing that assessee has not given any explanation as to the amounts given to M/s Silver Point Infratech of Rs. 534,76,478/- and Rs. 5,79,00,000/- and no commercial expediency has been made out on such payments as well as no documentation was filed in support of such plea.

7. The AO has passed the final assessment order implementing the directions of the DRP.

8. Against the final order of AO, the assessee is in appeal before us raising the following grounds of appeal:

*“Each of the grounds of appeal is mutually exclusive of, independent and without prejudice to other.*

*Based on the facts and the circumstances of the case and in law, the learned Assessing Officer (AO), learned Transfer Pricing Officer (TPO) and the Honourable Dispute Resolution Panel (DRP)*

*1. Erred in not issuing Draft Assessment order as per procedure laid down u/s. 143(3) r.w.s 153A & 144C(1) of the Act by issuing the notice of demand u/s. 156 of the Act & penalty notices u/s. 271(1)(c) and 271AAB along with Draft assessment order dated 30.12.2016, which tantamount to passing of Final Assessment Order.*

*2. Erred in making adjustment u/s. 92CA(3) of the Act for Rs. 4,79,143/- in respect of transaction of Corporate Guarantee provided to DCO Bank, Singapore on behalf of loan to BS Resource Pte Limited, Singapore by charging rate of 1.30% on Outstanding amount of Rs. 13,58,87,500/- on hypothetical and notional basis without there being any material on record.*

*2.1 Erred in making the ALP adjustment u/ s. 92CA(3) of the Act for Rs. 4,79,143/- in respect of Corporate Guarantee without issuing any show cause notice and without allowing an opportunity of being heard to the assessee.*

*2.2 Erred in treating the transaction relating to corporate guarantee as international transaction u/s.92B of the Act without appreciating that such an assistance or accommodation do not have any bearing on Appellant's profits, income, losses or assets, and, therefore, will be outside the ambit of 'international transaction' under section 92B(1) of the Act.*

*2.3 Erred in not appreciating the fact that corporate guarantee was given by Appellant as a procedural compliance for availing the loan by its subsidiary and for the overall benefit of the group. It was provided as a part of the parental obligation to its subsidiaries and is in nature of shareholder service.*

*2.4 Erred in calculating the ALP of the corporate guarantee fee using 'CUP' as the most appropriate method and by applying the rates of SBI without any basis and without complying with the procedure laid down for computation of arm's length price as given in the provisions of section 92C of the Act.*

*2.4.a. Erred in adopting rate which is fixed by the Indian Bankers considering the various factors in India however, the said transaction entered by the appellant is outside India.*

*2.4.b. Erred in not appreciating the fact that corporate guarantees are totally different from bank guarantees and in case of bank guarantees they are highly secured and liquid and encashable by the beneficiary instantly without any legal route.*

*2.4.c. Erred in not bringing anything on the record with regard to terms and conditions and circumstances under which the banks have been charging guarantee commission at the rate of 1.3%. The charging of a guarantee commission depends upon transaction to transaction and mutual understanding between the parties.*

*2.4.d. Erred in comparing Bank rates quoted by SBI as CUP without appreciating the fact that the assessee is not carrying banking business. Hence, the comparable taken by the TPO is not in accordance with the provisions of the Act.*

*2.4.e. Erred in not appreciating the fact that the rates taken by the TPO are quotations and not an actual uncontrolled "transaction" which can be compared to the assessee.*

*2.5 Erred in not appreciated that the Credit rating of the country of AE (Singapore) is higher than the country of Assessee Company (India), thereby implying no benefit is derived in the form of low interest rates.*

*2.6 Erred in calculating the guarantee fee on the entire amount of the guarantee instead of restricting the amount to the extent of the withdrawal of guaranteed amount by the AEs.*

*2.7 Without prejudice, ought to have applied reasonable percentage of fee of corporate guarantee instead of 1.3% which is very high and unreasonable.*

*Corporate Tax Matters:*

*3. Erred in disallowing an amount of Rs. 27,94,43,971/- towards proportionate amount of Interest (being the finance cost claimed in profit and loss account) of Rs. 71,33,23,290/- by concluding that the purchases with various parties such as Vedika Steels Private Limited, SB Metals Pvt Ltd, Adarsh Global Traders and services Private Limited, Resource Metals & Minerals Private Limited & United Mineral Resources Private Limited are Paper transactions and non-genuine.*

DRP Directions are not followed:

3.1. Erred in not following the directions of DRP in para 2.5 wherein the honourable DRP has directed to compute the interest after examining payments and receipts with the alleged parties in the cash flow / fund flow statement.

3.2. Erred in calculating disallowance by considering only purchases without taking into account the receipts. The action of the AO is against the directions of DRP.

3.3. Ought to have considered the interest calculation submitted by the assessee wherein the receipts and payments from the alleged parties were considered and the interest disallowance was calculated.

Transactions are audited

3.4. Erred in not appreciating the fact that the transaction relating to purchases and sales are entered into during the course of regular business with proper documentations and the same are verified and audited by a qualified Chartered Accountant.

3.5. Erred in not appreciating the fact that all the disbursements and receipts are made through the banking channel and have direct nexus with the business activity of the assessee. The assessee has complied with the provisions of section 37(1) of the act.

Bank Loan sanctioned for specific purpose and the same is compiled by assessee.

3.6. Erred in not appreciating the fact that the funds granted by the bank are for specific business purpose on the basis of feasibility and technical study wherein the stock and debtors were considered for granting the funds and it cannot be presumed that the same were utilized for paper transactions.

Purchases with the similar parties in the earlier years also

3.7. Erred in disallowing the interest expenditure without appreciating the fact that the purchases and sales with the above referred parties were made in the earlier assessment years also wherein they are accepted and assessment were completed without any disallowances.

*Interest bearing funds are utilized for the regular business operations for which the loan is sanctioned.*

*3.8. Erred in not considering the fact that the interest cost is relating to the funds applied by the assessee for normal business operations for which loan is sanctioned and it may include all the expenditure debited to profit and loss account during the course of business and the same are paid during the year.*

*3.9. Erred in observing that only the interest bearing funds are utilized only for purchases without appreciating the fact that the assessee has reserves and surplus of Rs. 4,041,396,356/-*

*3.10. Erred in concluding a major portion of purchase as bogus and disallowing the proportionate interest cost without rejecting the books and results (profit) as admitted in the Return of Income.*

*3.11. Erred in disallowing the interest by disbelieving certain portion of purchase but taking into account the entire profit which includes profit relatable to so called bogus purchases.*

*3.12. Erred in disallowing the interest expenditure without appreciating the fact that the manner the assessee should conduct his business is best left to the discretion of the assessee and the Assessing Officer cannot sit in the arm chair of the businessman to decide, how the funds should have been utilized.*

*3.13. Erred in calculating the disallowance of interest expenditure on the basis of proportion of the purchases without considering the ageing of debtors and creditors. The period of transaction between purchase and sale with the parties is very short which shows that no interest bearing funds were used.*

*3.14. Without prejudice, the Ld. AO has taken two divergent views on the issue that:*

*3.14.1. The entire trading activity between the alleged companies as sham and in disallowing interest allegedly relating to bogus purchases.*

*3.14.2. Accepted the profit arrived at basing on the entire sales Turnover admitted in P&L a/ c by the assessee.*

*3.15. Ought to have appreciated the fact that the assessee has purchased with the above alleged parties and sold to the outside party and accordingly profit arrived is offered to tax.*

*3.15.1. Erred in disallowing the proportionate expenditure of interest without appreciating the fact that the said sales related to purchases are offered as income and hence the entire purchases cannot be treated as bogus.*

*3.15.2. Erred in making proportionate disallowance of interest without appreciating the fact that the assessee has already offered profit and paid tax on the related purchases which is higher than certain percentage of the above expenditure which could have disallowed.*

*3.15.3. Ought to have appreciated the fact that the VAT/Service tax obligations have been duly complied with by assessee and the concerned Government authorities have accepted these transactions. Therefore if one arm of the government has accepted the transactions, the other arm of the government must also respect the same.*

*4. Erred in disallowing proportionate amount of Interest (being the finance cost) of Rs.1,37,88,369/- by concluding that the sub contract expenditure of Rs.11,03,06,948/- to Silver point Infratech Limited is non-genuine.*

*4.1 Erred in not appreciating the fact that the assessee has received contract works from various parties and the same is sub contracted to Silver point Infratech Limited. The assessee has received advances from the respective parties and from such advances payments were made to Silver point Infratech Limited.*

*4.2 Erred in not appreciating the fact that the assessee is operating in a infrastructure business of power transmission wherein mobilization advances are common and it has received certain amount as advance from parties which is pending as on 31.03.2013.*

*4.3 Erred in not appreciating the fact that the sub contract expenditure incurred by the assessee is in its regular course of business activity as a matter of business expediency and has direct nexus with the business.*

*4.4 Erred in disallowing the interest expenditure without appreciating the fact that the manner the assessee should conduct his business is best left to the discretion of the assessee and the Assessing Officer cannot sit in the arm chair of the businessman to decide, how the funds should have been utilized.*

*4.5 Erred in not appreciating the fact that the assessee is having similar kind of sub contract expenditure with the same party in the earlier years wherein the same was allowed.*

*4.6 Erred in not considering the fact that the assessee has already admitted profit of Rs.25,37,318/- in respect of transaction with the Silver point Infratech Limited and the same was offered to tax.*

*4.7 Erred in observing that the assessee has used only the interest bearing funds for the payment to Silver point Infratech Limited.*

*5. Erred in initiating penalty proceedings ul s. 271(1)(c) r.w.s 274 of the Income Tax Act.*

*The appellant may add, alter or modify any other point to the Grounds of appeal at any time before or at the time of hearing of the appeal.”*

8.1 Before hearing, the bench asked the Id. AR to specify the grounds of appeal, which are contested, reason being there are so many sub-grounds. Ld. AR submitted that he will press only the main grounds and press the argument placed before the Bench. The bench will adjudicate only the main grounds of appeal and not its sub-grounds.

9. As regards ground No. 1, the Id. AR of the assessee submitted that the AO erred in not issuing draft assessment order as per procedure laid down u/s 144C(1) of the Act by issuing the notice of demand u/s 156 of the Act & penalty notices u/s 271(1)(c) and 271AAB along with draft assessment order dated 30/12/2016, which tantamount to passing of final assessment order:

1. Vijay Television Pvt. Ltd. Vs. DRP, [2014] 369 ITR 113 (Mad.)
2. Capsugel Healthcare Ltd. Vs. ACIT, ITA No. 1356/Del/2012
3. ACIT Vs. Getrag Hi Tech Gears Pvt. Ltd., ITA No. 823/Chd/2012.

10. Ld. DR, on the other hand, relied on the orders of revenue authorities and further submitted that the case laws relied upon by the assessee are not relevant to the present case.

11. Considered the rival submissions and perused the material on record. The Id. AR submitted that the draft assessment was completed with demand notice u/s 156 and penalty notices u/s 271. By issuing such notices, the assessment order becomes final. Various courts have held that such assessment orders to be null and void ab-initio. We have carefully considered the submission and case laws relied. In all the case laws relied on by the assessee, the common mistake made by the AO in those assessments were that AO passed the final assessment order instead of Draft Assessment Order, the courts have held that as per section 144C(1), the AO has no right to pass final order pursuant to the recommendations made by the TPO. Accordingly, the order passed by the AO, thus, lacks jurisdiction.

11.1 In the light of the above, in the present case, the AO has passed the Draft 'Assessment' but sent demand notice and penalty notices along with the draft assessment order. Since the facts are not identical to the facts of the case laws relied on by the assessee, moreover, the AO has to pass draft assessment order as per provision and was accordingly passed by him. The accompanying notices along with the draft assessment order are only procedural mistakes, it cannot tantamount to passing of final assessment order. Accordingly ground raised by the assessee is dismissed.

12. As regards ground No. 2 regarding addition of Rs. 4,79,143/- in respect of corporate guarantee provided to AE, Id. AR submitted that the corporate guarantee given to AE does not fall within the scope of international transaction u/s 92B. He submitted that the corporate guarantee is provided to AE for commercial, business expediency and promoter obligation. Also, It is different from the bank guarantee. Further, he submitted that TPO has adopted the rate of SBI, whereas the assessee has extended the bank guarantee to the foreign AE.

Therefore, he should have adopted rates available in the international market. He also submitted that TPO should have charged the rate on the actual loan, availed by the AE, not on the corporate guarantee extended by the assessee and the assessee has not incurred any cost for providing such guarantee. Without prejudice, to the above, he submitted that the AO ought to have applied reasonable rate of corporate guarantee fee percentage, say 0.20%. He relied on the following cases:

1. Bharati Airtel Ltd. Vs. ACIT, ITA No. 5816/Del/2012
  2. Aban Offshore Ltd. vs. DCIT, ITA No. 585/Mds/2015
  3. Videocon Industries Ltd. Vs. ACIT, ITA No. 6145/Mum/2012/55 Taxmann.com 263
  4. Manugraph India Ltd., Vs. DCIT, [2016] 69 Taxmann.com 400 (Mum. Trib)
  5. Rusabh Diamonds Vs. ACIT, 68 Taxmann.com 141 (Mum. Trib)
  6. Asian Paints Ltd. Vs. ACIT, ITA No. 7801/Mum/2010
  7. Lanco Infratech Ltd. Vs. DCIT, ITA No. 450/hyd/2016
  8. Aster Pvt. Ltd., Vs. DCIT, ITA No. 220/Hyd/2015.
13. Ld. DR submitted that corporate guarantee is international transaction following the amendment introduced in Finance Act, 2012. The current AY falls subsequent to the amendment. Further, he submitted that it is not shareholders obligation owing to that fact that assessee is a limited company and "AEs' are separate entity. The AE has gained financially by taking favourable interest rate from the financial institution because of corporate guarantee by the parent company. With regard to Id. AR's submission that corporate guarantee is cheaper outside India, he submitted that assessee has not demonstrated that the banker rates are cheaper in international market and also assessee has not submitted any record in support of loan utilization by AE.

14. Considered the rival submissions and perused the material facts on record as well as various case laws submitted by the assessee. Assessee has provided corporate guarantee to its AE in the current AY without charging any fees for providing corporate guarantee. The term 'guarantee' was inserted in the definition of international transaction by inserting an explanation in the Finance Act, 2012 with retrospective effect from 01/04/2002. After considering various case law submitted by Id. AR, we notice that the coordinate bench of this Tribunal in the case of Four Soft Pvt. Ltd., 44 Taxmann.com 479 (Hyd.), agreed with the contention of Id. DR's submission that the corporate guarantee of the nature provided by the assessee is covered under the expanded definition of international transaction post amendment to international transaction. Further, the Hyderabad Benches consistent with the view that corporate guarantee provided by the taxpayer prior to amendment are not international transaction. Hence, it meant that post amendment, corporate guarantee provided by the taxpayer are international transaction. Therefore, corporate guarantee provided by the assessee will fall within the expanded definition of international transaction.

14.1 With regard to quantum of guarantee fee to be charged, it is consistent view of the bench that the corporate guarantee provided by the assessee cannot be equated with a bank guarantee provided by third party banks. Therefore, the rate charged by banks cannot be applied to determine the 'ALP' for the guarantee provided by the assessee. The coordinate bench in the case of Four Soft (supra) referred to the decision of Mumbai ITAT in the case of Glenmark Pharmaceuticals, 43 Taxmann.com 141 (Mum. Trib.) wherein distinction was made between bank guarantee and corporate guarantee and 0.53% was held to be appropriate 'ALP' for guarantee commission.

14.2 Further, Id. AR submitted that the assessee has extended the corporate guarantee to the AE whereas AE has not utilized the full

financial facility during the year, hence, the quantum cannot be determined in full value of corporate guarantee. We are in agreement with the assessee that corporate guarantee is contingent liability, relevant consequence depends upon future event. However, the quantum of exposure should be on the basis of actual exposure. In this case, it is not clear from the document submitted before us the actual exposure. Therefore, we find it appropriate to remit this issue back to the file of TPO/AO to determine the actual exposure of contingent liability for this AY and apply the rate of 0.53% as per the ratio of Glenmark Pharmaceuticals (supra) on the actual contingent liability. It is needless to say that assessee may be given proper opportunity of being heard. Accordingly, ground raised by the assessee is allowed for statistical purposes.

15. As regards Ground No. 3 regarding the disallowance of interest expenses on Sham transactions of Rs. 27,94,43,971/-, the Id. AR submitted that the AO ought to have appreciated the fact that the transaction relating to purchases and sales are entered into during the course of regular business. The Ld. AO ought to have appreciated that the assessee has done all the transaction with proper documentations and the same are verified and audited by a qualified Chartered Accountant. In this regard, reliance is placed on the decision of SA Builders vs CIT in [2007] 158 taxmann 74 (SC)

15.1 He submitted that the AO ought to have appreciated the fact that all the disbursements and receipts are made through the banking channel and have direct nexus with the business activity of the assessee. Further, the basic commercial principles are that the one person's income is other person's expenditure. The assessee has complied with the provisions of section 37(1) of the act. In this regard, reliance is placed on the decision of ITAT, Mumbai in the case of ITO Vs Growel Energy Co, Ltd (2014) 47 taxmann.com 371

15.2 As regards utilization of funds for the purpose of business, the Id. AR submitted that the AO ought to have appreciated the fact that

the funds granted by the bank are for specific business purpose and it cannot be presumed that the same were utilized for paper transactions. The Banks have sanctioned the credit limits to the assessee on the basis of feasibility and technical study wherein the stock and debtors were considered for granting the funds. Further they have granted funds on certain terms and conditions, wherein one of the condition made is that the credit facilities shall be utilized only for the purpose for which same are granted and said facilities shall not be diverted or siphoned off or used for any other purposes. The loan was obtained for the purpose of business and the assessee has utilized the same wholly and exclusively for the purpose of business. In the present case, the bank has not found any discrepancies in the transactions entered by the assessee. Additionally, the assessee is required to submit/maintain certain documents such as month end complete Stocks/Debtors statement before 10th of the following month wherein the details such as location where stocks are kept, old, un-saleable and unpaid stocks, including stocks received under DA-LC separately are to be submitted. In the present case the assessee has regularly submitted the details and the bank authority has not found any discrepancies in the same.

15.3 Ld. AR submitted that the AO erred in disallowing the interest expenditure without appreciating the fact that the manner the assessee should conduct his business is best left to the discretion of the assessee and the Assessing Officer cannot sit in the arm chair of the businessman to decide, how the funds should have been utilized. The AO ought to have appreciated the fact that it is well settled law that the AO cannot sit in the arm chair of the businessman and substitute his views for that of the businessman. In this regard, reliance is placed on the decision of High Court of Delhi in the case of Commissioner of Income-tax v. Oracle Indi (P.) Ltd. [2011] 11 taxmann.com 139 (Delhi).

15.4 Ld. AR submitted that the AO erred in disallowing the interest expenditure without appreciating the fact that the purchases and sales with the above referred parties were made in the earlier assessment years also wherein they are accepted and assessment were completed without any additions. It is pertinent to note that the purchases and sales made with the above mentioned alleged parties are already accepted by the Income Tax department in the concerned parties assessment.

15.5 Without prejudice, the Ld. AR submitted that AO has erred in disallowing the interest by disbelieving certain portion of purchase but taking into account the entire profit which includes profit relating to so called bogus purchases.

15.6. Without prejudice, the Ld. AR submitted that AO has taken two divergent views on the issue that:

- The entire trading activity between the alleged companies as sham and in disallowing interest allegedly relating to bogus purchases.
- Accepted the profit arrived at basing on the entire sales Turnover admitted in P&L a/c by the assessee. In this connection, he relied on the following cases:

1. SSPDL Ltd. Vs. DCIT, 24 ITR(Trib.)(Hyd.) 290 - No nexus between interest on borrowed funds and the amount advanced to sister concerns
2. Hon'ble Delhi High Court in the case of CIT v. Dalmia Cement (P.) Ltd: 254 ITR 377

15.7 Ld. AR submitted that the AO has not followed the DRP directions wherein it was directed to calculate the interest on day to day basis. The assessee has already calculated the disallowance of Rs.1,34,25,171/- and the same is submitted in the page 56 of the Paperbook-1. However, the AO has not considered the same and has

disallowed the interest which is not correct. However, the AO has incorrectly calculated the disallowance from the date of purchase to the 31.03.2013 without appreciating the fact that the DRP has directed to calculate the disallowance considering cash flow of the receipts/payments. In this regard, it is submitted that the AO is bound to follow the directions of the Honorable DRP and in this regard, he relied on the following case laws:

1. Alumeco India Extrusion Ltd. Vs. ITO, 1929/Hyd/2011
2. Toshiba India P. Ltd. Vs. DCIT, 944/Del/2016

15.8 Ld. AR submitted that the assessee has already submitted a statement showing profit earned of Rs.2,33,98,662/- by purchase and sale with the alleged parties in Page 52 of Paper book-I and also made a calculation of interest disallowance on day to day basis of Rs.1,34,25,171/-. However, the assessee has already admitted profit of Rs.2,33,98,662/- which is more than the interest disallowance of Rs.1,34,25,171/-. Hence, no disallowance is required to be made in the present case.

16. Ld. DR, on the other hand, submitted that the transactions related to purchases with related parties were examined during the course of assessment proceedings and after detailed analysis as mentioned in the assessment order, AO came to the conclusion that the trading purchases with related concerns were paper transactions, non genuine and sham. He submitted that funds may be granted by the bank for specific purpose but the assessee has not pointed specific nexus to its utilization. The disallowance of interest expenses were made considering the purchases made with related concerns. He pointed out that this issue was duly considered by the Hon'ble DRP-1, Bengaluru and disallowance was made in pursuance to directions issued. AO has not estimated the disallowances and for which the books need not be rejected.

16.1 Ld. DR submitted that the Assessee has stated income from trading at Rs 80,18,23,430/- and claimed that if Rs 377,64,18,403/- being purchases from related parties are added back, then how assessee can earn income of Rs 80,18,23,430/- from sale of goods purchased from other parties amounting to Rs 102,92,43,281 i.e ratio of 78%. However this is factually incorrect. The amount of Rs 80,18,23,430/- is not income from trading but it is the total income declared in the Return of Income which includes trading as well as non trading income. Hence the ratio cited by the Assessee is not applicable.

16.2 He referred to the decision in the case of Sri Jagdish H Patel (IT Appeal No 410 of 2017 for AY 2007-08, Gujarat High Court), in which case, the AO found that the assessee (being proprietor of firm engaged in business of refining & selling edible oils) had made bogus purchases of Rs 5.66 crores from five different parties. During the course of survey operation, the assessee disclosed Rs. 61.05 lakhs on account of bogus purchases, in his statement which he subsequently retracted. The AO made addition of Rs 5.66 cr. as well as Rs 61.05 lakhs.

16.3 Ld. DR submitted that Id. CIT (A) held the purchases to be bogus but restricted the disallowance to 25% of purchases on the ground that if the entire purchases are treated as bogus, the gross profit would be abnormally high. With regard to disclosure of Rs 61.05 lakhs made during survey action, the Ld. CIT(A) held that the same was part of the addition already sustained by him and no separate addition would be justified.

16.4 Ld. DR submitted that the Tribunal while sustaining the findings of the Ld. CIT(A) regarding the bogus purchases reduced the addition to 8% as against 25% adopted by the Ld. CIT(A). The Tribunal confirmed the view of the Ld. CIT(A) of not separately taxing the sum

of Rs 61.05 lakhs admitted in the statement recorded during survey action. He submitted that Hon'ble Gujarat High Court vide order dated 01-8-2017 concurred that adding the amount of bogus purchases would give a completely distorted figure and held that the Tribunal did not commit any error in accepting the gross profit rate of 8% while also agreeing with decision of the Ld. CIT(A) & the Tribunal with regard to disclosure of Rs 61.05 lakhs.

The details of purchases made by M/s BS Ltd for AY 2013-14 & AY 2014-15 are as under:

	AY 2013-14	AY 2014-15	Total
Total purchases (related concerns)	377,64,15,403/-	348,55,27,588/-	726,19,42,991/-
Other purchase (un related concerns)	102,92,43,281/-	530,06,37,751/-	632,98,81,032/-
Total purchases debited to P&L A/c	480,56,58,684/-	878,61,65,339/-	1359,18,24,023/-

16.5 Ld. DR submitted that the cumulative purchases with related concerns for AY 2013-14 & AY 2014-15 amount to Rs 726,19,42,991/- Having regard to the decision of the Hon'ble Gujarat High Court discussed above, GP rate of 8% on Rs 726,19,42,991/- works out to Rs 58,09,55,439/-. Against this the AO has already made addition of Rs 60,00,00,000/- as admitted by Shri Shri Rajesh Satyanarayana Agarwal with a view to take care of the inconsistencies, in respect of the purchase transactions. This addition of Rs 60 crores is made by the AO in A Y 2014-15 with regard to purchases, the basis for which is described elaborately in the assessment order under the head "Interest disallowance on account of sham transactions" (para 4 of Asst. order for AY 2013-14 & para 6 of Asst. order for AY 2014-15).

16.6 He submitted that it is pertinent to note that M/s BS Ltd is a listed Company with declared Turnover of more than Rs. 1500 crores. The assessee had claimed that Rs 60 crores declared during search (FY 2013-14) is included in business income. However, the Annual

Report makes no mention of any such extraordinary income if any earned by the company.

16.7 Finally, the Id. DR submitted that the sham transactions with regard to purchases by the assessee company with related concerns have been confirmed by the Hon'ble DRP-1, Bengaluru for AY 2013-14 as well as AY 2014-15. The addition of Rs 60 crores is also confirmed by the Hon'ble DRP-1, Bengaluru.

17. Considered the rival submissions and perused the material on record. During the course of assessment proceedings, the AO noticed that the assessee is making major purchases from related concerns and sells mostly to concerns namely, M/s Adarsh Global Traders Pvt. Ltd., M/s Resource Metals & Minerals Traders Pvt. Ltd., M/s United Mineral Resource P. Ltd., M/s SB Metals P. Ltd. and M/s Vedika Steels P. Ltd. AO has verified few transactions entered with these concerns and found certain discrepancies like non-existence of LR or way bills, uses of improper vehicles to transport, no physical movements of goods and no VAT details or seal/stamps on the seized invoices. AO came to the conclusion that the transactions entered with all related concerns were sham transactions.

17.1 However, we noticed that AO has not rejected any purchases or made any enquiry to find the fair market value of transactions in line with the provisions of section 40A. Instead of rejecting the turnover, he proceeded to disallow only the associated financial cost. He disallowed the interest cost in proportion to the purchases with related and unrelated parties.

17.2 However, DRP remitted this issue of disallowance of interest back to the AO to recalculate the interest properly and by following cash flow on day to day basis.

17.3 AO recalculated the interest, after DRP's direction, on the basis of calculating no. of days of each purchase transaction and date of year end i.e. 31/03/2013. In our considered view, this is not the

proper way of calculating interest on this kind of transaction particularly, after accepting the purchases and sales as proper transaction. DRP has given direction to AO to verify the transaction and calculate the interest on day to day basis. The proper way to calculate interest in this transaction, are as under:

“ In order to calculate interest in each transaction of buying and selling, period involved in this transaction are:

Scenario 1 : ‘A’ buys goods from ‘B’ at the cost of Rs. 100 on (say) 10/04/2012 and sells the same to ‘X’ on 17/04/2013. In this case, ‘A’ invested Rs. 100/- for a period of 7 days. (In this case cash to cash basis.)

Scenario 2: On the same example of above, ‘A’ buys goods from ‘B’ with the credit period of 15 days and sells the same to ‘X’ on cash basis, there is no finance cost to Mr. ‘A’ as the transaction was done on buyer’s credit.

Scenario 3: On the above example, Mr. ‘A’ buys on cash basis and sells the same to ‘X’ on one moth credit, then, Mr. ‘A’ has financial burden of 37 days.”

From the above, it is clear that the financial cost depends upon the terms of payment between the parties. In the given case, AO has not understood the above aspect and calculated the interest for the complete year from the date of purchase in each case. The proper way of calculating interest on outstanding balance of supplier on day to day basis. Since, AO has not disallowed any purchases that means these transactions are considered to be genuine. Therefore, AO cannot disallow any associate cost of purchase.

17.4 We find that assessee has entered into transaction with the alleged related parties and kept a margin, which will take care of the financial cost. Assessee has submitted a statement of profit in this transaction and finance cost involved in this transaction, as per

which, the assessee had purchased at Rs. 377.64 crores and sold at Rs. 379.98 crores with the margin of Rs. 2.34 crores. (refer page 52 of paper book I). At the same time, assessee has also submitted the interest calculation on the basis of outstanding running balance of all the suppliers. (refer page 56 of paper book I), as per which, the financial costs are (-) 1.34 crores. We cannot accept the above calculation as the interest should be calculated on outstanding of each supplier not on the basis of consolidated outstanding. In our view, the assessee has made margin of 2.34 crores in this transaction and it is enough to cover the interest cost on these transactions. Even otherwise, as explained earlier, when AO accepted the turnover without disallowing any purchases, he cannot disallow only interest cost.

17.5 Coming to AO's observation that assessee has diverted funds to other related concerns for making huge investment, we find in the consolidated statement submitted by the assessee that the peak credit outstanding with these concerns are Rs. 24.31 crores on 06/08/2012. In order to find out the diversion of funds, there will be huge outstanding with these concerns for considerable period of time. In this case, these are regular business transactions and there is no such huge outstanding with these concerns.

17.6 Coming to Id. DR's submission, he relied on the case law of Hon'ble Gujarat High Court in ITA No. 410 of 2017 in the case of Sri Jagdish H. Patel, in which, it was found that assessee made bogus purchases to the extent of Rs. 5.66 crores. Accordingly, AO disallowed 100% purchases. However, Id. CIT(A) has reduced to 25% and ITAT at 8%. Whereas in the given case, AO has not disallowed any purchases. Therefore, this case cannot be applied to the case on hand.

17.7 Further, Id. DR tried to apply the above decision of Shri Jagdish H. Patel i.e. 8% of total purchases of two AYs i.e. 2013 & 2014-15 which comes to Rs. 58.09 crores. He submitted that against the

above, AO has already made the disallowance of Rs. 60 crores in AY 2014-15. We find there is no relevance for this submission in this AY and moreover, AO has not made any disallowance in purchases in AY 2013-14.

17.8. Considering the above discussion, in our view, AO has not made any disallowance in purchases even though he satisfied himself that these are sham transactions. Further, he proceeded to disallow interest on purchases, which is not proper, even though, he proceeded to disallow the interest with improper data and improper method. Therefore, the disallowance made by the AO on interest is deleted.

18. As regards the disallowance on interest payments to M/s Silver Point Infratech Ltd., Id. AR submitted that AO has disallowed the interest of Rs. 1,37,88,369/- stating that assessee has used borrowed funds for making payment to Silver Point Infratech Limited, which is not correct as explained in the above paras.

18.1 Without prejudice to the above, He submitted that the AO has calculated interest for the entire year (12 months) which is not correct, interest disallowance if at all is made, it should be calculated on day to day basis from the date of payment and not for the entire year. Accordingly the disallowance of notional interest of Rs.1,37,88,369/- towards amount paid to M/s. Silver Point Infratech Limited is not correct.

18.2 Ld. AR submitted that the assessee has received contracts from Maco Corporation India P Ltd, Sunag Engineering P Ltd & Vishwaraj Infra amounting to Rs. 11,31,49,505/- whereas the same has been given on back to back basis to Silver Point Infratech Pvt Ltd for Rs.11,03,07,204/- thereby making a profit of Rs. 28,42,301/- which is offered to tax by the assessee. Therefore the above issue is squarely covered by the decision of ITAT, Hyderabad in the case of Lanco Infratech Limited Vs. DCIT in ITA No.450/Hyd/2016 wherein the main

contract was sub-contracted on back to back basis and ITAT held as follows:

*"14.4 .... we direct the AO to independently examine the claim of sub contract expenditure. In case assessee billed and offered the said contract receipts, AO is directed to accept the sub contract payments, as assessee received the corresponding amounts from main contractor and offered the same for taxation. In case there is any failure or the nexus was not fully established, Assessee agrees that being a subcontractor a small percentage of the expenditure can be estimated for disallowance, following the principles laid down by the Coordinate Benches as relied upon above. In that event, AO is directed to disallow only a certain percentage of the above amount/ if necessary. The addition made is accordingly deleted and the issue of examination of impugned sub contract payments is restored to AO to consider afresh as directed. Grounds are considered allowed for statistical purposes."*

He submitted that applying the above ratio the AO had to verify the transaction and if he has found any discrepancy a small portion of that sub contract expenditure can be disallowed and not any other expenditure.

18.3 Ld. AR submitted that the assessee has received contract works and has given the same as sub-contract to various parties. There is no business policy of either the assessee or the contractors to charge interest on the outstanding amounts because the contract works are entered for a certain period and cannot be compared with the transaction of sale. He submitted that the assessee company has received amounts from Maco Corporation India Pvt. Ltd. and Vishwaraj Infra on various dates and has subsequently made payment to Silver Point Infratech Ltd. on various dates, details of which has been in table below:

Date	Particulars	Receipts	Payments
12-11-2011	Sunag Engg. Pvt. Ltd.	15,13,316	
04-11-2012	Sunag Engg. Pvt. Ltd.	11,89,034	
02-03-2012	Maco Corporation India Pvt. Ltd.	25,94,256	
05-03-2012	Silver Point Infratech Ltd.		25,94,256
20-03-2012	Maco Corporation India Pvt. Ltd.	20,00,000	
21-03-2012	Silver Point Infratech Ltd.		20,00,000
24-03-2012	Maco Corporation India Pvt. Ltd.	23,66,998	
26-03-2012	Maco Corporation India Pvt. Ltd.	44,85,901	
26-03-2012	Silver Point Infratech Ltd.		23,89,391

27-03-2012	Silver Point Infratech Ltd.		43,99,944
Total A		1,41,49,505	1,13,83,591
04-06-2012	Viswaraj Infra	90,00,000	
04-06-2012	Viswaraj Infra	80,00,000	
04-06-2012	Viswaraj Infra	70,00,000	
04-06-2012	Viswaraj Infra	60,00,000	
05-06-2012	Silver Point Infratech Ltd.		3,00,00,000
08-06-2012	Viswaraj Infra	90,00,000	
08-06-2012	Viswaraj Infra	80,00,000	
08-06-2012	Viswaraj Infra	70,00,000	
08-06-2012	Viswaraj Infra	60,00,000	
13-06-2012	Viswaraj Infra	90,00,000	
13-06-2012	Viswaraj Infra	80,00,000	
13-06-2012	Viswaraj Infra	70,00,000	
13-06-2012	Viswaraj Infra	60,00,000	
18-06-2012	Viswaraj Infra	90,00,000	
24-07-2012	Silver Point Infratech Ltd.		3,20,00,000
25-07-2012	-do-		1,50,00,000
27-07-2012	-do-		20,00,000
02-08-2012	-do-		89,00,000
Total B		9,90,00,000	9,89,23,613
Total (A+B)		11,31,49,505	11,03,07,204

18.4 Referring to the above table of receipts and payments, the Id. AR submitted that it is clearly evident that the assessee company has received amounts and the same was later paid to Silver Point Infratech Ltd., which tantamount that assessee has not utilized any of its own fund, therefore, question of utilization of borrowed funds for making payment to silver point infratech ltd does not arise.

18.5 In view of the above submissions, Id. AR requested the Bench to delete the disallowance made towards Notional Interest of Rs. 1,37,88,369/- towards amount paid to M/s. Silver Point Infratech Limited.

19. Ld. DR, on the other hand, submitted that for A.Y. 2012-13, against contract received from the above entities amounting to Rs. 5,60,13,796/-, work amounting to Rs 5,34,76,748/- was given on subcontract to Silverpoint Infratech Ltd for which M/s B S Ltd has paid Rs 1,13,83,335/- in AY 2012-13 and Rs 4,10,23,613/- in AY 2013-14. Apart from the above, M/s BS Ltd has made payments of Rs. 5,79,00,000/- in AY 2013-14 and the amount is still outstanding as on

date. He submitted that Assessee was not able to substantiate as to why interest expenses should not be disallowed on account of diversion of funds for non business purpose inspite of issuing show cause notices. The assessee could not substantiate the genuineness of the transactions with M/s Silver Point Infratech Ltd during assessment proceedings. The assessee has paid Rs 1,13,83,335/- in AY 2012-13 and Rs 4,10,23,613/- in AY 2013-14 and also paid excess amount of Rs 579,00,000/- in AY 2013-14 which is still shown as advance without any prudent business reason. In view of the above, Id. DR submitted that the payments to M/s Silver Point Infratech Ltd have been made without any business prudence & exigency thus entailing financial cost to the assessee company. Therefore, interest @ 12.5% attributable to such amounts of Rs 11,03,06,948/- i.e. Rs. 1,37,88,3691- was disallowed and added to the total income of the assessee. He contended that the assessee did not bring forth any nexus with payments made to M/s Silverpoint Infratech Ltd from non-interest bearing funds.

20. Considered the rival submissions and perused the material on record. The assessee made certain payments to M/s Silver Point Infratech Ld. during this AY and it claims that these are part of commercial payments on the contract business. There are back to back payments received from contractors and paid to the sub-contractors. In this behalf, it has submitted a statement showing the relevant payments. (refer para 18.3). At the same time, we notice that this information was not submitted before the AO and DRP, but, Id. AR claims that these were submitted before DRP. Since these payments were not verified by the tax authorities, we find it appropriate to remit this issue back to AO to verify the claim of the assessee and if it is found that these are back to back payments, received from main contractor and paid to sub-contractor M/s Silver Point Infratech Ltd., the addition made on interest may be deleted. It is needless to say that assessee may be given proper opportunity of

being heard. Therefore, ground raised by the assessee is allowed for statistical purposes.

21. In the result, appeal of the assessee is allowed for statistical purposes.

Pronounced in the open court on 27<sup>th</sup> April, 2018

**Sd/-**  
**(D. MANMOHAN)**  
**VICE PRESIDENT**

**Sd/-**  
**(S. RIFAUR RAHMAN)**  
**ACCOUNTANT MEMBER**

Hyderabad, Dated: 27<sup>th</sup> April, 2018

*kv*

Copy to:-

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- 3) *DRP - 1, Bengaluru*
- 4) *Pr. CIT – 2, Hyd.*
- 5) *The Departmental Representative, I.T.A.T., Hyderabad.*
- 6) *Guard File*