

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई  
**IN THE INCOME TAX APPELLATE TRIBUNAL, 'B' BENCH, CHENNAI**  
श्री एन.आर.एस. गणेशन, न्यायिक सदस्य एवं ए. मोहन अलंकामणी, लेखा सदस्य के समक्ष  
**BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND  
SHRI A.MOHAN ALANKAMONY, ACCOUNTANT MEMBER**

आयकर अपील सं./I.T.A.Nos.125 & 126/Chny/2018  
(निर्धारण वर्ष / Assessment Years: 2008-09 & 2009-10)

The Deputy Commissioner of Income Tax, Corporate Circle – 1(2), Chennai -34.	Vs	M/s. Citadel Fine Pharmaceuticals Ltd., No.43, Main Road, Velachery, Chennai – 600 042.
		PAN: AAACC1356N
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by	:	Shri Sashi Kumar, JCIT
प्रत्यर्थी की ओर से/Respondent by	:	Shri G. Seetharaman, CA

सुनवाई की तारीख/Date of hearing	:	04.07.2018
घोषणा की तारीख/Date of Pronouncement	:	04.09.2018

**आदेश / ORDER**

**Per A. Mohan Alankamony, AM:-**

These appeals by the Revenue are directed against the orders passed by the learned Commissioner of Income Tax (Appeals)-1, Chennai, both dated 31.10.2017 in ITA No.80/CIT(A)-1/2011-12 & 79/CIT(A)-1/2011-12 passed U/s.250(6) r.w.s. 143(3) r.w.s.147 & 143 of the Act for the assessment years 2008-09 & 2009-10 respectively.

2. The Revenue has raised three identical grounds in its appeals however the crux of the issue is that the Ld.CIT(A) has erred in directing the Ld.AO to verify the records and allow the deduction of bad debts written off to the extent of amount offered for taxation in the earlier years which is nothing but remitting back the appeal to the file of Ld.AO and it is not permissible under the provisions of Section 251 of the Act.

3. The brief facts of the case are that the assessee is a limited company engaged in the business of manufacturing pharmaceutical products, filed its return of income for the assessment year 2008-09 & 2009-10 electronically on 27.09.2008 & 30.09.2009 admitting loss of Rs.1,21,89,114/- for the assessment year 2008-09 and income of Rs.29,04,120/- under normal provisions and Rs.2,61,40,681/- under MAT provisions for the assessment year 2009-10. Thereafter assessment was completed U/s.143(3) r.w.s.147 of the Act for the assessment year 2008-09 and U/s.143(3) of the Act for the assessment year 2009-10 wherein the Ld.AO made certain additions.

4. On appeal, for both the assessment years the Ld.CIT(A) directed the Ld.AO to verify the records and allow deduction of bad debts written off to the extent of the amount offered to tax in the earlier years by following the order of the Tribunal for the assessment year 2010-11 in the assessee's own case.

5. The Revenue is aggrieved by the order of the Ld.CIT(A) because they are of the view that the Ld.CIT(A) do not have powers under the provisions of the Act for remitting back the appeal to the file to the Ld.AO with directions, by virtue of Section 251 of the Act.

6. At the outset we find that the Tribunal does not have any restriction to remit the matter back to the file of Ld.AO with directions. Therefore keeping view of the facts of the case and the order of the Tribunal for the assessment year 2010-11 in the assessee's own case, we hereby remit both the appeals back to the file of Ld.AO with directions to verify the records of the assessee and allow deduction towards bad debts written off in the books of accounts of the assessee to the extent of the amount offered to tax in earlier years. It is ordered accordingly.

7. In the result both the appeals of the Revenue are allowed for statistical purposes.

Order pronounced on the 04<sup>th</sup> September, 2018 at Chennai.

Sd/-  
(एन.आर.एस. गणेशन)  
(N.R.S. Ganesan)  
न्यायिक सदस्य/Judicial Member

Sd/-  
(ए. मोहन अलंकामणी)  
(A. Mohan Alankamony)  
लेखा सदस्य/Accountant Member

चेन्नई/Chennai,  
दिनांक/Dated 04<sup>th</sup> September, 2018

**RSR**

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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|------------------------|--------------------------|------------------------------|
| 1. अपीलार्थी/Appellant | 2. प्रत्यर्थी/Respondent | 3. आयकर आयुक्त (अपील)/CIT(A) |
| 4. आयकर आयुक्त/CIT     | 5. विभागीय प्रतिनिधि/DR  | 6. गार्ड फाईल/GF             |