

**IN THE INCOME TAX APPELLATE TRIBUNAL
BANGALORE BENCHES : "B", BANGALORE**

**BEFORE SHRI A.K.GARODIA, ACCOUNTANT MEMBER
AND
SMT.BEENA PILLAI, JUDICIAL MEMBER**

**ITA No.1832(Bang)/2016
(Assessment year : 2011-12)**

The Asst. Commissioner of Income tax,
Circle-5(1)(2), Room No.234,
2nd Floor, BMTC Complex,
80 ft. Road, Koramangala,
Bangalore -560 011

Appellant

Vs

M/s Page Industries Ltd.
6/2 & 6/4, Hongasandra,
Begur Hobli, Jockey Campus,
Bangalore-560 068.
Pan No.AABCP2603D

Respondent

**Revenue by : Shri Kumar Ajeet, Addl.CIT
Appellant by : Smt Suman Lunkar, CA**

**Date of hearing : 07-11-2019
Date of pronouncement :**

ORDER

PER BEENA PILLAI, JUDICIAL MEMBER :

Present appeal has been filed by revenue against order dated 08/07/16 passed by Ld. CIT (A)-5, Bangalore for assessment year 2011-12 on following grounds of appeal:

“1. The order of the CIT(A)-5, Bangalore is opposed to the law and not on the facts and circumstances of the case.

2. Whether the CIT(A) is right, in law in holding that the deduction claimed by the assessee u/s 870JJA to be allowed without appreciating the meaning of the section, which does not allow the deduction for earlier previous years other than the one relevant to the assessment year.

3. The appellant craves leave to add, alter, amend or delete any other grounds on or before hearing of the appeal”.

2. Brief facts of the case are as under:

Assessee filed its return of income declaring total income of Rs.82,45,64,615/-. Ld.AO completed assessment under section 143 (3) read with section 144C of the Act, determining total income at Rs.85,80,64,750/-. The disallowances were made by Ld.AO pertains to section 14A and deduction disallowed under section 80JJAA of the Act. Ld.AO disallowed deduction u/s 80JJAA by holding that deduction has been claimed by assessee in respect of employment of new workmen during previous which is not provided suggestive in the provisions. The Ld.AO therefore, disallowed excess deduction claimed in computation amounting to Rs.3,14,48,959/-.

3. Aggrieved by addition made by Ld.AO, assessee preferred appeal before Ld.CIT(A) who allowed the claim of assessee.

4. Aggrieved by order of Ld.CIT(A), revenue is in appeal before us now.

4.1 Only issue alleged by revenue is in respect of the deduction allowed under section 80JJAA of the Act by Ld.CIT (A).

Before us, Ld.AR placed reliance on *Tribunal order* in assessee's own case for various assessment years have been filed. It is observed that this *Tribunal* for assessment year 2007-08 in ITA No.131/B/2014 vide order dated 24/07/15 held that once new workmen is employed in previous year and works for 300 days in that year, additional wages paid to him is to be allowed as deduction at 30% of such additional wages to him in that year and the same should be allowed as deduction for three assessment years and that such workmen need not be employed for subsequent period to claim deduction under section 80JJAA of the Act. It was held that once deduction is allowed in first year then 30% of such additional wages is to be allowed as deduction in each of subsequent two years.

However, for assessment years 2005-06 and 2006-07 in ITA Nos. 151 and 152/B/2016 vide order dated 16/12/16 and for assessment year 2010-11 in ITA (TP)A No.163/B/2015 vide order dated 24/06/16 remanded the issue to Ld.AO for fresh consideration. Since the later orders on identical issues were remanded by this *Tribunal* to Ld.AO for fresh consideration, we deem it fit to restore this issue to Ld.AO for fresh consideration, in accordance with law, as applicable during relevant period.

5. Ld. CIT DR did not object for the same.

Accordingly, ground raised by revenue stands allowed for statistical purposes.

In the result, appeal filed by revenue stands allowed for statistical purposes.

Order pronounced in the open court on

(A.K.GARODIA)
ACCOUNTANT MEMBER

(BEENA PILLAI)
JUDICIAL MEMBER

Dated:

***am**

Copy of the Order forwarded to:

- 1.Appellant;
- 2.Respondent;
- 3.CIT;
- 4.CIT(A);
5. DR
6. ITO (TDS)
- 7.Guard File

By Order
Asstt.Registrar