

आयकर अपीलिय अधिकरण, जयपुर न्यायपीठ, जयपुर
IN THE INCOME TAX APPELLATE TRIBUNAL, JAIPUR BENCH 'A',(VC) JAIPUR

श्री संदीप गोसाई, न्यायिक सदस्य एवं श्री विक्रम सिंह यादव, लेखा सदस्य के समक्ष
BEFORE: SHRI SANDEEP GOSIAN, JM & SHRI VIKRAM SINGH YADAV, AM

आयकर अपील सं./ITA No. 134/JP/2020
निर्धारण वर्ष / Assessment Year : 2016-17.

Deep Jyoti Company, B-219, Janta Colony, Jaipur.	बनाम Vs.	Assistant Commissioner of Income Tax, Circle-5, Jaipur.
स्थायी लेखा सं./जीआईआर सं./PAN/GIR No. AAADF 7795 H		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओर से / Assessee by : Shri S.L. Poddar (Advocate)
राजस्व की ओर से / Revenue by : Shri A.S. Nehra (Addl.CIT)

सुनवाई की तारीख / Date of Hearing : 08.12.2020.
घोषणा की तारीख / Date of Pronouncement : 02/02/2021.

आदेश / ORDER

PER SANDEEP GOSIAN, J.M.

This appeal by the assessee is directed against the order dated 29.11.2019 of Id. CIT (A)-2, Jaipur for the assessment year 2016-17. The assessee has raised the following grounds of appeal :-

1. That the learned CIT (Appeal) sustain the addition of Rs. 21,99,341.00 on account of Gross Profit as CIT (A)-1, Jaipur applied Gross Profit Ratio 8.5% against Assessee firm recorded 7.99% Gross Profit Ratio without consideration of books results i.e. GP & NP of the assessee which are more than previous year.
2. That the appellant have crave permission to add, alter, amend or delete any ground or grounds of appeal on or before the hearing of this appeal."

2. Brief facts of the case are that the assessee is a partnership firm engaged in the construction work for various departments of Government of Rajasthan and having income from civil construction works. The assessee filed its return of income declaring total income of Rs. 2,65,42,230/- on 31.03.2018 for the assessment year under consideration. Subsequently, the case of the assessee was selected for scrutiny and after serving statutory notices and seeking reply of the assessee, the assessment order under section 143(3) of the Income Tax Act was passed by the AO on 24.12.2018 determining the total income at Rs. 4,26,93,520/- by applying the NP rate @ 9% instead of NP rate of 7.99% declared by the assessee subject to the interest, depreciation and remuneration to partners. While making the assessment, the AO wrongly added the remuneration allowable to the assessee firm to the total income of the assessee instead of deduction from income. Subsequently, by passing order under section 154 of the IT Act, 1961 the mistake was rectified and the income was determined at Rs. 3,90,93,520/- which resulted an addition of Rs. 1,25,51,290/-.

3. Aggrieved by the order of the AO, the assessee preferred first appeal before the Id. CIT (A) who after considering the materials available on record partly allowed the relief by applying the NP rate of 8.5% as against 9% applied by the Assessing Officer and thereby restricting the addition to the extent of Rs. 21,99,341/-.

4. Now aggrieved by the order of the Id. CIT (A), the assessee has preferred the present appeal before us on the ground mentioned hereinabove.

5. The solitary ground raised by the assessee relates to challenging the order of the Id. CIT (A) in sustaining the addition of Rs. 21,99,341/- on account Gross Profit

as CIT (A)-1, Jaipur applied Gross Profit Ratio 8.5% against assessee firm recorded 7.99% Gross Profit Ratio without consideration of books results i.e. GP & NP of the assessee which are more than previous year. The Id. Counsel of the assessee relied upon the following written submissions filed by him before the Id. CIT (A) which are contained in para 2.2 of the Id. CIT (A)'s order :

"2.2 The relevant extract of the submission of the appellant is as under:-

"The assessee is partnership firm and engaged in civil contract business which received from government and government departments for various places. The assessee had total contract receipts for the year under appeal of Rs. 434372451/-. The accounts of the partnership firm was maintained as per accounting principles and on the same line as maintained in previous years, which was audited by a qualified chartered accountant as per the provisions of sec. 44AB of the Income Tax Act, 1961. In the audit report there is no adverse observation made by the chartered accountant for the maintenance of books of accounts of the assessee firm. The assessee maintained proper books of accounts and recorded all the transactions made by him on day to day basis. He maintained computerized cash book, bank book, journal & ledger. It also maintained proper vouchers for expenses and purchases made. The auditors of the assessee gave clean report after examining the books of accounts and other records of the firm and no qualification was made in their report.

At the time of assessment proceedings assessee filed each and every details which required by A.O. Assessee also produced books of accounts and purchase voucher along with expenses vouchers online on e proceeding. Assessee firm also produced list of sundry creditors for labour, material and filed confirmation for other creditors.

In para 3.2 of assessment order the A.O. said that the Trading result furnished by the AR does not match with the trading result declared by assessee in the audit report in form 3CD.

It is totally wrong that the A.O. said the trading result furnished by AR of the assessee not matched with result declared in 3CD. In the 3CD the gross profit matched with the result furnished by A/R:

<i>A.Y.</i>	<i>G.P. Ratio as per 3CD</i>	<i>G.P. ratio furnished by AR</i>
<i>2014-15</i>	<i>8.59</i>	<i>8.59</i>
<i>2015-16</i>	<i>9.37</i>	<i>9.37</i>
<i>2016-17</i>	<i>9.82</i>	<i>9.82</i>

The above chart clearly shown that G.P. ratio furnished by AR match with result shown in form 3CD.

Now we come on the N.P. Ratio, the trading result furnished by AR was adjusted result as he added in the net profit, depreciation, Interest paid to the partners and remuneration paid to partners, while in the form 3CD net profit shown after interest paid to partners and remuneration paid to partners, due to this result of N.P. not matched. We summarize the same as under:-

<i>A.Y.</i>	<i>2014-15</i>	<i>2015-16</i>	<i>2016-17</i>
<i>Net Profit</i>	<i>5.52%</i>	<i>5.06%</i>	<i>6.11%</i>

Trading result furnished by A/R

<i>A.Y.</i>	<i>2014-15 (Rs.)</i>	<i>2015-16 (Rs.)</i>	<i>2016-17 (Rs.)</i>
<i>Net Profit as per P&L</i>	<i>17000685</i>	<i>13047410</i>	<i>26542223</i>
<i>Add: Depreciation</i>	<i>2186308</i>	<i>4892558</i>	<i>6975264</i>
<i>Interest Paid to Party</i>	<i>4207010</i>	<i>6108173</i>	<i>7767083</i>
<i>Remuneration paid to Partners</i>	<i>1500000</i>	<i>1800000</i>	<i>1800000</i>
<i>Total</i>	<i>24894003</i>	<i>25848141</i>	<i>43084570</i>

<i>Less: FDR Interest & Other Income</i>	<i>2081275</i>	<i>5669942</i>	<i>8362256</i>
<i>Adjusted Profit</i>	<i>22812728</i>	<i>20178199</i>	<i>34722314</i>
<i>Total Turnover</i>	<i>307983890</i>	<i>258056977</i>	<i>434372451</i>
<i>Net profit furnished by A/R vide letter dated 17-12-2018</i>	<i>7.40</i>	<i>7.81</i>	<i>7.99</i>

The above reply clearly shows that the statement of A.O. in the assessment order totally wrong and this is not the reason for rejection of books of accounts u/s 145(3) of the Income Tax Act, act and frame assessment under section 144 of the act.

In point no 3.4 to 4 on page no. 4 to 6 of assessment order A.O. said the assessee firm not filed details eg. Creditors for labour and material of Rs. 14,56,79,014/, On the other hand he said in point no. 3.5 that AR of the assessee has submitted a list mentioning the name only of drivers &and majdoors to establish the genuineness, creditworthiness or identity in support of his case.

In this respect we want to say that the assessee firm is a civil contractor and received civil contract from govt. and govt. department from various places and assessee complete the same on that place. In the completion of these contracts heavy labour, sand, grit and lalmitti consumed which assessee firm received these services from local person. We highlighted that approx. 30% of total contract only labour involved, for this assessee engaged local labour on the condition when payment received from govt. firm paid major labour payments. However firm paid regularly to labours for their regular needs such as food, medicines etc. As assessee involved local labour and purchased material such as sand, grit, bajari from local parties/ suppliers for which assessee firm issued a card to them for their supply and labour work. Assessee firm not maintained their complete address, assessee known only their name and designation such as driver, labour etc. which is submitted to A.O. at the time of assessment.

On the other hand we say that these creditors are below Rs. 1 lakh by each person, it is better to mention here that these creditors are not cash creditors, these are only creditors for labour and raw form material which purchased from local person on credit basis as reputation of the assessee

on that area are very good. As these creditors are relating to supply of labour and supply of raw form material and supplied by individually which mostly below Rs. 1lakh not required to establish the genuineness, creditworthiness and also not required confirmation for so bulk persons/creditors. Assessee maintained name and designation and outstanding balance of these creditors which already submitted to A.O. A copy of same is enclosed.

In para no. 4 on page no 5& 6 the A.O. comment as under and reject the books of accounts u/s 145(3) and apply the provision of Section 144 of the Income Tax Act,1961.

The reply of the assessee to the show cause notice has been considered and found unacceptable. During the year the assessee has claimed payable liability of Rs. 15,41,77,052/- as on 31.03.2016 on account of sundry creditors related to Labour and Material and during the assessment proceedings the assessee failed to prove the genuineness of liability up to the extent of Rs. 14,56,79,014/- representing to labour and material, as except the name of drivers and majdoors he could not even produce the complete address of the Labours and Majdoors. In absence of the confirmation and the complete details of the creditors, the undersigned is not satisfied about the correctness and completeness of books of accounts of the assessee therefore, the books of accounts maintained by the assessee is rejected u/s 145(3) of I. T. act,1961 and the assessment order u/s 144 of the 1. T. Act, 1961 is to be passed by applying 9% Net profit rate on the total turnover of the assessee at Rs. 43,43,72,451/- against the net profit rate declared by the assessee of 6.11% during the year which is clearly mentioned by the auditor in the audit report in form 3CD.

Now we see section 145 and section 144 which reproduced as under:-Method of accounting.

"145. (1) Incomeof income."

Section 145 Method of accounting

Section 145(1) said as under

Income chargeable under the head "Profits and gains of business or profession" or "Income from other sources" shall, subject to the provisions of sub-section (2), be computed in accordance with either cash or mercantile system of accounting regularly employed by the assessee.

Sub section 2 of section 145 said that The Central Government may notify in the Official Gazette from time to time income computation and disclosure standards to be followed by any class of assessee's. In respect of any class of income.

When we go through wording of section 145(1) which said income to be computed in accordance with either cash or mercantile system of accounting regularly employed by the assessee.

This Section said that income computed as per system regularly employed by the assessee.

Section 145(3) again said if the method of accounting not employed as per section 145(1) means it is clear that income computed as per accounting method regularly employed by the assessee then A.O. not rejected books of accounts and not completed assessment u/s 144 of the act.

"Appellant calculated its income regularly employed accounting system in previous years. Hence rejection of books of accounts is illegal and unjustified. Hence we pray for good selves kindly allow this ground of appeal.

Now we go wordings of section 144 of the act. Subsection 1(a) of section 144 said that fails to make the return required under sub-section (1) of section 139 and has not made a return or a revised return under sub-section (4) or subsection (5) of that section.

"In the appellant case, appellant file return of income in time."

Subsection 1(b) of section 144 of the act said fails to comply with all the terms of a notice issued under sub-section (1) of section 142 or fails to comply with a direction issued under sub-section (2A) of that section.

"Appellant complies all the terms of notice issued to the appellant u/s 2A of section 142."

Subsection 1(c) of section 144 of the act said having made a return, fails to comply with all the terms of a notice issued under sub-section (2) of section 143.

"Appellant complies with all the terms of a notice issued under subsection 2 of section 143."

As the appellant comply all the provisions of section 144, due to this section 144 of the act, not applicable on the assessee and A.O. not justified to complete the assessment u/s 144 which is illegal and unjustified. We pray to for goodselves kindly allow this ground of appeal.

In the appellant case the A.O. reject the books of account only and only on the basis of not filling confirmation and address of the outstanding creditors for labour and raw form material of Rs14,56,79,014/. Except this he had not find any defect in the books of accounts of the assessee. Creditors also not cash creditors they were only for involving of labour and material for local purchase as the assessee is civil contractor and purchase material such as sand, grit, lalmitti from local individually suppliers. All the contract receipt of the assessee through banking channel. Assessee not received any payment in cash for its contract receipt during the year of appeal.

As we say that assessee employed accounting system regularly as in previous years and assessment also completed u/s 143(3) of the act in same circle which prove our contention that assessee maintain same accounting system which maintained in previous years and assessee also shows its better result during the year under appeal against previous years, which also completed u/s 143(3).

Trading result of the assessee/Appellant firm

<i>Assessment Year</i>	<i>2014-15 (Rs.)</i>	<i>2015-16 (Rs.)</i>	<i>2016-17 (Rs.)</i>
<i>Turnover</i>	<i>307983890</i>	<i>258056977</i>	<i>434372451</i>
<i>Net Profit as per P&L a/c before allowing interest paid to partner and remuneration to partner but includes income from other sources i.e. return income.</i>	<i>17000685</i>	<i>13047410</i>	<i>26542223</i>
<i>Net profit rate</i>	<i>5.52</i>	<i>5.06</i>	<i>6.11</i>
<i>Income as per order u/s 143(3) completed by A.O.</i>	<i>17000685</i>	<i>14047410</i>	<i>39093520</i>
<i>Addition made by A.O.</i>	<i>NIL</i>	<i>1000000</i>	<i>12551297</i>

<i>Relief allowed by Hon'ble CIT Appeal</i>	<i>NIL</i>	<i>400000</i>	<i>Under Appeal before your</i>
<i>Balance addition by hon'ble Tribunal</i>		<i>600000</i>	<i>Honour</i>
<i>Net income as per order of A.O.</i>	<i>170000685</i>	<i>13047410</i>	<i>39093520</i>
<i>Net profit rate as per assessed income</i>	<i>5.52</i>	<i>5.06</i>	<i>8.99</i>
<i>Sundry creditors for labour & material</i>	<i>362258300</i>	<i>96638514</i>	<i>145679014</i>
<i>% of creditors for turnover</i>	<i>11.77</i>	<i>37.44</i>	<i>33.53</i>

Above chart clear that assessee firm maintained its accounting system regularly employed in previous years. Outstanding creditors for labour and materials also stands in previous years, even this A.O. not rejected books of accounts of the assessee, even in A.Y. 2014-15 no addition made for creditors or assessment was completed on return income. In A.Y. 2015-16 a lump-sum addition made of Rs. 10,00,000/- but not rejected books of accounts of the assessee firm on appeal, your honour reduced addition to Rs. 6,00,000/- and hon'ble tribunal delete the addition in TOTO i.e. accepted return income of the assessee. On going through percentage of creditors we find 33.53% creditors as against 37.44% in previous year.(Copy of the order of hon'ble tribunal is enclosed.)

On going through N.P. rate we find that N.P. rate is better from previous year as 6.11% against 5.06% in A.Y. 2015-16 and 5.52% in A.Y. 2014-15.

On the above analysis it is clear that the assessee had creditors for outstanding labour and material in previous years also. It is regular feature in the assessee's trade that payment received from govt. & govt. department in last date of March which deposited in bank in next year, due to this creditors not paid in time. In the previous years A.O. not rejected books of accounts of the assessee for on the basis of outstanding creditors for labour and material.

It is also important that the assessee firm shown its better trading result during the year under appeal as against in the previous years which clear from above chart

Now we pray to your goodselves. Kindly allow the appeal in

Toto. We relied on the order of authorities below.

*(Jodh-ITAT) 2019 ITL 3374 Income-tax Officer Wd-(1), Jodhpur,
Rajasthan vs. M/s Ashok Transport Co. Udau Service Station (JR-Trib.)
2014 ITL 1351*

*Deputy Commissioner of Income-tax vs. M/s Balaji Winer Raj Pal Yadav
and R C Sharma, JJ. ITA No.08/JP/2003 dated may 30-05-2014*

*Mangalore Ganesh Beedi Works Versus Commissioner of Income Tax And
Another - 2005 (1) TM! 15 - SUPREME Court*

*Commissioner of Income-Tax Versus British Paints India Limited
SUPREME Court*

*Commissioner Of Sales-Tax, Madhya Pradesh Versus HM Esufali HM
Abdulali*

SUPREME Court

*SN. Namasivayam Chettiar Versus Commissioner Of Income-Tax, Madras —
SUPREME Court*

*Commissioner Of Income-Tax. Versus McMillan And Company
SUPREME COURT*

*Raghubar Mandal Harihar Mandal Versus The State of Bihar -
SUPREME COURT OF INDIA*

*Director of Income-tax (Exemption) Versus Shia DawoodiBohraJamat -
Gujarat High Court*

*Commissioner of Income-tax Versus Deepak M. Kothari - Allahabad High
Court*

*Commissioner of Income-tax Versus Sunil TalwarMurlidhar& Party -
HIGH COURT OF RAJASTHAN*

*AwadheshPratap Singh Abdul RehmanAnd Brothers Versus Commissioner Of
Income-Tax ALLAHABAD High Court*

*Lal Chand walaiti Ram versus Commissioner of Income-tax- Punjab and
Haryana High Court.*

Bombay Cycle Stores Co. Ltd. versus Commissioner of Income-tax, Madhya Pradesh and Bhanadra, Nagpur Bombay High Court

Ganga Ram Balmokand Versus Commissioner of Income-tax

LAHORE HIGH COURT

Commissioner of Income Tax, Central and United Provinces Vs. Laxminarain Badridas - 1937 (2) TMI 1 - PRIVY COUNCIL

(JP-ITAT)2019 ITL 3927

M/s Mataji Reality Developers Pvt. Ltd. Vs. The ITO, Ward-1, Beawar

IN THE ITAT OF JAIPUR

Shri Ramesh C.Sharma, AM &Shri Vijay Pal Rao, JM

No. No. 548/JP/2019

DATED-4-07-2019

Income Tax Appellate Tribunal Mumbai- 'C' Bench Mumbai

ITA Nos. 3408 Mum 2010 & 3559/Mum/2011 PoddarAshish Developers Date of Pronouncement: 12-03-2014

We have heard the rival submissions and perused the material before us. We have also carefully considered the guidance notes issued by ICAI as well as Accounting Standards AS- 7&9 in the light of provision of section 145 of Act. Principles applicable with regard to the method of accounting can be summarized as under:

(i) The accounts which are regularly maintained in the course of business and are duly audited, free from any qualification by the auditors, should normally be taken as correct unless there are adequate reasons to indicate that they are incorrect or unreliable. The onus is upon the AO to show that either the books of account maintained by the assessee were incorrect or incomplete or that the method of accounting adopted by him was that true profits of the assessee cannot be deducted therefrom. (325 ITR 13, Paradise Holidays- Del.)

(ii) If a particular accounting system has been followed and accepted and there is no acceptable reason to differ with it, the doctrine of consistency would come into play. (339ITR 382 Jagathit Industries Ltd., Del.)

Prayer

We request to your honour kindly delete the addition made by the A.O. on account of GP/NP of Rs. 12551297.00 and oblige."

6. At the time of hearing of the appeal, the Id. A/R of the assessee submitted that the Id. CIT (A) though admitted that the assessee has declared better results over the last year where NP/GP rate were lower compared to the year under consideration even then has applied the NP rate of 8.5% as against 7.99% declared by the assessee without any basis. The Id. Counsel further placed reliance on the decision of this Tribunal in the assessee's own case for the preceding year i.e. A.Y. 2015-16 in ITA No. 961/JP/2019 dated 26.09.2019 whereby addition was deleted on identical facts.

7. On the other hand, the learned D/R relied on the orders of the lower authorities.

8. We have heard the rival contentions and carefully perused the materials available on record. At the outset, we note that an identical issue was considered by this Bench of the Tribunal in assessee's own case in ITA No. 961/JP/2010 dated 26.09.2019 for the assessment year 2015-16 wherein the AO had made an identical addition of Rs. 10,00,000/- without consideration of book results, GP & NP etc. which was restricted by the Id. CIT (A) to Rs. 6,00,000/-. On further appeal, the Tribunal has considered the issue in para 2.6 as under :-

"2.6 We have heard the rival contentions and perused the materials available on record. We noticed that as per facts of the present case the assessee had shown sundry creditors to the tune of Rs. 10,22,847/- and on verification by the AO it was found that since the assessee could not produce the parties before him, therefore, in order to protect probable leakage of Revenue, the AO made disallowance of Rs. 10.00 lacs out of labour expenses. We have also considered the written submission filed by the assessee before the Id. CIT(A). In that written submission and the arguments before us, it was the specific stand of the assessee that assessee firm completed its civil construction works at different places in remote areas where no banking channel was available. Therefore, due to that fact, the assessee had paid labour charges to labourers in cash. The assessee had also submitted the comparative chart of last year in order to show that results of GP/NP rates were better and the said chart is also contained in the said written submission before the Id. CIT(A). After perusal of the result chart, we also noticed that the assessee firm had shown better results and it had also paid taxes on better profit in comparison to last year which shows that there was no leakage of Revenue. It is pertinent to mention that Id. CIT(A) in her findings had admitted that the assessee filed the chart of NP/GP which shows that profit rate was better in comparison to last year and thus the NPR declared by the assessee was better as compared to earlier years. We have also considered the decision of ITAT Jaipur Bench in the case of Goodwill Impex Ltd vs DCIT (supra) and its operative portion is reproduced as under:-

"5. We have heard the rival contentions and perused the material available on record. The Assessing officer has rejected the books of accounts by invoking the provisions of section 145(3) and the same has been sustained by the Id CIT(A). Once the books of accounts

are rejected, only course of action left with the Assessing officer is to assess the income of the assessee on the basis of best judgement. Where the assessee has a settled past history, in such cases, accepted G.P rate for the past years in assessee's own case has been held by the Rajasthan High Court as proper and reasonable basis for estimation of G.P rate for the current year. In the instant case, the AO has made an adhoc trading addition of Rs 2 lacs and in the process, has estimated the G.P rate of 16.47% on the declared turnover of the assessee and which has been upheld by the Id CIT(A). There is no basis which has been specified by the AO while making the addition of Rs 2 lacs and we also find that the assessee's own past history has also not being taken into consideration. Once the books of accounts have been rejected due to non-maintenance of stock register, qualitative records, etc and provisions of section 145(3) have been invoked, the authorities cannot resort to make addition on an adhoc basis to prevent leakage of revenue as so stated by the AO. Only course left with the authorities is to estimate the gross profit rate based on best judgement and the past results of the assessee provides a reasonable basis for such estimation. For the year under consideration, the assessee has declared G.P rate of 16.38% as against 14.14 % in AY 2012-13, 12.05% in AY 2011-12 and 11.97% in AY 2010-11 and has thus declared a better G.P rate for the year under consideration as compared to average G.P rate for the past three years. Even where the books of accounts are rejected, there is thus no basis for making the addition in the hands of the assessee company. It is a settled legal proposition that mere rejection of books of accounts are not sufficient to hold that the trading additions have to be necessarily made in the hands of the assessee company. Where the assessee company has declared a better trading results as compared to previous years, such results provide a reasonable basis to hold that there should not be any addition in the hands of the assessee company. In light of above discussions and in the entirety of facts and circumstances of the cases, the trading addition so made by the AO and so confirmed by the Id CIT(A) are hereby directed to be deleted and the trading results so declared by the assessee are directed to be accepted. The issue regarding rejection of books of accounts so raised by the assessee thus becomes

academic and we do not deem it appropriate to adjudicate the same on merits.”

After having gone through the facts of the present case and also the decision relied on by the Id.AR of the assessee (supra), we find that the ITAT Jaipur Bench in the case of Goodwill Impex Ltd vs DCIT (supra) had categorically held that where the assessee company had declared better trading results as compared to previous year and such result provides a reasonable basis to hold that there should not be any addition in the hands of the assessee company. It is also noted that the AO had not detected any defect in the books of the assessee and AO has not invoked the provisions of section 145(3) of the Act for rejecting the books of account of the assessee but made the lumpsum/ adhoc addition on account of labour expenses on estimation basis without finding any defects in the books of account and vouchers of the assessee. Hence, relying upon the decision of ITAT Jaipur in the case of Goodwill Impex Ltd vs DCIT (supra), we are of the view that once the assessee company had declared better trading results as compared to previous year, such results provide a reasonable basis to hold that there should not be any addition in the hands of the assessee company. Thus in the light of the above discussions and keeping in view the entirety of the facts and circumstances of the case, the addition so made by AO and restricted by Id. CIT(A) are deleted. Thus the solitary ground of the assessee is allowed.”

Thus on identical facts, following the earlier order of this Tribunal, the disallowance sustained by the Id. CIT (A) is liable to be deleted.

9. In the result, appeal of the assessee is allowed.

Order pronounced in the open court on 02/02/2021.

Sd/-

(विक्रम सिंह यादव)
(VIKRAM SINGH YADAV)
लेखा सदस्य / Accountant Member

Sd/-

(संदीप गोसाई)
(SANDEEP GOSIAN)
न्यायिक सदस्य / Judicial Member

जयपुर / Jaipur

दिनांक / Dated:- 02/02/2021.

das/

आदेश की प्रतिलिपि अग्रेषित / Copy of the order forwarded to:

1. अपीलार्थी / The Appellant-M/s. Deep Jyoti Company, Jaipur.
2. प्रत्यर्थी / The Respondent-The ACIT, Circle-5, Jaipur.
3. आयकर आयुक्त / CIT
4. आयकर आयुक्त / CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur
6. गार्ड फाईल / Guard File {ITA No. 134/JP/2020}

आदेशानुसार / By order,

सहायक पंजीकार / Asst. Registrar