

THE INCOME TAX APPELLATE TRIBUNAL, DELHI 'C' BENCH,
NEW DELHI [THROUGH VIDEO CONFERENCE]

BEFORE SHRI N.K. BILLAIYA, ACCOUNTANT MEMBER, AND
SHRI SUDHANSHU SRIVASTAVA, JUDICIAL MEMBER

ITA No. 1915/DEL/2018
[Assessment Year: 2014-15]

The Dy. C.I.T
Circle 12(1)
New Delhi

Vs. M/s Indo Rama Synthetics India Pvt Ltd
20th Floor, DLF Square, DLF Phase - II
N H - 8, Gurgaon, Haryana

PAN: AAACI 1530 L

[Appellant]

[Respondent]

Date of Hearing : 05.04.2021
Date of Pronouncement : 05.04.2021

Revenue by : Ms. Sunita Singh, CIT-DR

Assessee by : Shri Rohit Jain, Adv
Ms. Deepashree Rao, Adv

ORDER

PER N.K. BILLAIYA, ACCOUNTANT MEMBER,

This appeal by the Revenue is preferred against the order of the
ld. CIT(A) - 22, New Delhi dated 05.12.2017 pertaining to Assessment
Year 2014-15.

2. The solitary grievance of the Revenue is that the ld. CIT(A) erred in deleting the disallowance made on the sales-tax subsidy of Rs. 56.57 crores on the ground that the sales tax subsidy is capital receipt not chargeable to tax.

3. At the very outset, the ld. counsel for the assessee submitted that this issue is well settled in favour of the assessee and against the Revenue by the Tribunal since A.Y 1997-98, 2003-04 and 2004-05 and also in A.Y 2005-06, 2006-07, 2008-09 and 2009-10 and also in A.Y 2013-14. The ld. counsel for the assessee supplied copies of the orders of the Tribunal.

4. The ld. DR fairly conceded to this.

5. We have given thoughtful consideration to the orders of the authorities below. We find that the Assessing Officer himself has followed the assessment for A.Y 2013-14. The quarrel in A.Y 2013-14 travelled upto the Tribunal and this Tribunal in ITA No. 5233/DEL/2017 order dated 26.11.2020 has decided this issue as under:

"7. We have carefully considered the orders of the authority below. We find force in the claim that the impugned issue is covered in favour of the assessee and against the revenue by the earlier order of the Tribunal in ITA No. 2130/Del/2008, 967/Del/2010 and 5323/Del/2011 wherein the Tribunal held as under :-

"We have heard the rival contentions in light of the material produced and precedents relied upon. We find that Ld. CIT(A) has given a finding that issue in dispute was covered by the Special Bench decision of the Tribunal in the case of Reliance Industries Ltd. (Supra). Though the scheme applicable in the case of Reliance Industries Ltd. was 1979 scheme, however, in the 1993 scheme terms and conditions were of the same nature and intent. For this purpose, a comparative chart was referred by the Ld. CIT(A). As per the comparative chart the terms and conditions applicable in 1979 scheme were of the same nature and intent of the 1993 scheme. We further note that Mumbai Tribunal in the case of Everest Industries Ltd. in IT A No. 814/Mum/2007 has held that salient features of the 1993 scheme are identical to that of 1979 scheme. We further note ITA No. 5233/Del/2017 that the Tribunal in ITA No. 678 & 679/Del/2012 in the case of M/s Indo Rama Textiles Ltd. on identical facts has held that the decision of the Mumbai Tribunal, Special Bench in the case of Reliance

Industries 88 ITD 273 is applicable. Accordingly, in the background of the aforesaid discussion and precedents, we hold that the Ld. CIT(A) has passed a reasonable order which does not need any- interference on our part. Accordingly, we uphold the same."

8. Respectfully following the same we decline to interfere. Appeal by the revenue is accordingly dismissed.

6. Respectfully following the same, we order accordingly.

7. In the result, the appeal of the Revenue in ITA No. 1915/DEL/2018 is dismissed.

The order is pronounced in the open court on 05.04.2021.

Sd/-

[SUDHANSHU SRIVASTAVA]
JUDICIAL MEMBER

Sd/-

[N.K. BILLAIYA]
ACCOUNTANT MEMBER

Dated: 05th April, 2021

VL/

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar
ITAT, New Delhi

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