

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "B" : HYDERABAD
(THROUGH VIDEO CONFERENCE)**

**BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER
AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

I.T.A. No. 981/HYD/2019

Assessment Year: 2007-08

Dy.Commissioner of
Income Tax,
Circle-1(1),
HYDERABAD

M/s.Andhra Pradesh
Vs Industrial Infrastructure
Corporation Limited,
VIJAYAWADA
[PAN: AABCA9029K]

(Appellant)

(Respondent)

For Revenue : Shri Rohit Mujumdar, DR

For Assessee : Shri B.Satyanarayana Murthy, AR

Date of Hearing : 07-06-2021

Date of Pronouncement : 17-08-2021

ORDER

PER S.S.GODARA, J.M. :

This Revenue's appeal for AY.2007-08 arises from the CIT(A)-1, Hyderabad's order dated 27-03-2019 passed in case No.10040/2018-19/DCIT-1(1), Hyd/CIT(A)-1/Hyd/2018-19, in proceedings u/s.143(3) r.w.s.147 of the Income Tax Act, 1961 [in short, 'the Act'].

Heard both the parties. Case file perused.

2. The Revenue's sole substantive grievance seeks to reverse the CIT(A)'s action deleting Section 40(a)(ia) disallowance of Rs.5 crores on account of assessee's failure in not deducting TDS *qua* interest expenditure as prescribed u/s.192A of the Act.

3. We notice from a perusal of the CIT(A)'s corresponding lower appellate discussion on the sole issue in para 8 to 8.5 that the tribunal's orders in AY.2009-10 and 2010-11 have already been accepted the assessee's arguments regarding the impugned 40(a)(ia) disallowance *qua* the interest payments made to the very entities i.e., NTPC and VIWSCO; as the case may be in view of the fact that the said recipients of the interest expenditure had already accounted for the same and stood duly assessed to this effect. Learned counsel next invited our attention that there is no dispute on the fact since the assessee had already filed all the relevant details before the Assessing Officer in remand proceedings.

4. We have given our thoughtful consideration to the preceding rival contentions and hold that Revenue's sole substantive grievance carries no merit in view of the learned co-ordinate bench's order in AYs.2009-10 and 2010-11 invoking Section 40(a)(ia) 2nd proviso inserted in the Act vide Finance Act, 2012 w.e.f.01-04-2013 held as having retrospective effects being curative in nature in CIT Vs. Ansal Landmark Townships (P) Ltd., (2016) [279 CTR 384] (Del). The Revenue's sole substantive grievance is declined therefore.

5. This Revenue's appeal is dismissed.

Order pronounced in the open court on 17th August, 2021

Sd/-
(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Hyderabad, Dated: 17-08-2021

TNMM

Sd/-
(S.S.GODARA)
JUDICIAL MEMBER

Copy to :

1.Dy.Commissioner of Income Tax, Circle-1(1), Hyderabad.

2.M/s.Andhra Pradesh Industrial Infrastructure Corporation Limited, 59A-20/3/2A, 3rd Floor, Sri Siva Complex, Gurunanak Colony Road, Teachers Colony, Vijayawada.

3.CIT(Appeals)-1, Hyderabad.

4.Pr.CIT-1, Hyderabad.

5.D.R. ITAT, Hyderabad.

6.Guard File.