

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'G', NEW DELHI**

**Before Sh. Amit Shukla, Judicial Member**

**Dr. B. R. R. Kumar, Accountant Member**

**(Through Video Conferencing)**

**ITA No. 5349/Del/2018 : Asstt. Year : 2014-15**

M/s TWO HMP Communications Pvt. Ltd. C/o-Kapil Goel, Adv. F-26/124, Sector-7, Rohini, Delhi-110085	Vs	DCIT, Central Circle-25(2), New Delhi
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>
<b>PAN No. AABCT8187D</b>		

**Assessee by : Sh. Kapil Goel, Adv.**

**Revenue by : Sh. RatanSingh, Sr. DR**

**Date of Hearing: 18.10.2021**

**Date of Pronouncement: 18.01.2022**

**ORDER**

**Per Dr. B. R. R. Kumar, Accountant Member:**

The present appeal has been filed by the assessee against the order of the Id. CIT(A)-9, New Delhi dated 07.05.2018.

2. The assessee company was engaged in advertising, conceptualizations of creative solutions, designing and making artwork, printing and managing events. During the course of assessment proceedings, the Audit Report indicated that no payment has been made to persons specified u/s 40(A)(2b) of the Income Tax Act, 1961 whereas in the details of indirect expenses the assessee has claimed Rs. 14,20,800/- as direct expenses and it was held that the findings of the audit report is in contravention with the claim of expenditure and hence

disallowed the amount paid to the Directors u/s 40(A)(2b) of the Act. The Id. CIT(A) has confirmed the addition made by the Assessing Officer.

3. On going through the facts on record, we find that the amount of Rs.1,42,800/- has been paid to Mr. Pulkit Chakraborty of Rs.9,60,000 and Mr. Shammi Chakraborty of Rs.4,18,000/- as director's remuneration. The amounts have been duly accounted and supported by the evidences like Form 26AS of directors, TDS Form 16 issued by the assessee to the directors and also the director's ITR. We find the order of the Assessing Officer disallowing these amounts u/s 40(A)(2b) of the Act is totally pretentious and imaginary so as the concurrence of the Id. CIT(A) in confirming the addition made by the Assessing Officer. The amounts paid by the company are duly reflected in the return of the directors and invite no reason to disallow this expenditure u/s 40(A)(2b) of the Act.

4. In the result, the appeal of the assessee is allowed.  
Order Pronounced in the Open Court on 18/01/2022.

**Sd/-**

**(Amit Shukla)**  
**Judicial Member**

**Dated: 18/01/2022**

**\*Subodh Kumar, Sr. PS\***

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

**Sd/-**

**(Dr. B. R. R. Kumar)**  
**Accountant Member**

**ASSISTANT REGISTRAR**