

**THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'E', NEW DELHI**

**Before Dr. B. R. R. Kumar, Accountant Member
Sh. Yogesh Kumar US, Judicial Member**

ITA No. 7813/Del/2019 : Asstt. Year: 2012-13

M/s Nirmal International, Vill.-Faridpur, Masd Public School Road, Panipat, Haryana (APPELLANT)	Vs.	Commissioner of Income Tax (Appeals), C/o Income Tax Officer, Karnal, Haryana-132001 (RESPONDENT)
PAN No. ABBPJ4056B		

Assessee by : None

Revenue by : Sh. Arvind Kr. Bansal, Sr. DR

Date of Hearing: 06.06.2023

Date of Pronouncement: 28.06.2023

ORDER

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

The present appeal has been filed by the assessee against the order of Id. CIT(A), Karnal dated 09.07.2019.

2. Following grounds have been raised by the assessee:

"1. That the order of Id. CIT(A) to the extent of various additions and disallowances is illegal, perverse and unjustified being without proper application of mind and appreciation of the facts and circumstances, statutory provisions, trade practices and the explanations and evidences filed and on record.

2. That under the facts and circumstances of the case, the Id. CIT(A) is not justified in making disallowance u/s 40(a)9i0 of the Income Tax Act, 1961 on account of payment made to non-resident for travelling, professional/managerial services amounting to Rs.17,70,975/-, so part relief i.e. of the amount of Rs.14,84,001/- has been allowed to the assessee while no relief has been provided on the balance amount of Rs.2,86,925/- to exhibit its products in "Domotex" which is an internationally acclaimed textile fair organized in Germany."

3. The assessee is an individual and engaged in the business of manufacturing and export of carpet, bath mats, durries and other made-up as sole proprietor of M/s Nirmal International. The assessee filed return of income on 26.09.2012 declaring income of Rs.68,26,300/-.

4. The AO made disallowance u/s 40(a)(ia) of the Income Tax Act, 1961 on account of payment made to non-resident for travelling, professional/managerial services amounting to Rs.17,70,975/- and the revenue has allowed an amount of Rs.14,84,001/-. The revenue disallowed an amount of Rs.2,86,925/- paid to exhibit his products in "Domotex" which is an internationally acclaimed textile fair organized in Germany. This amount has been paid to the fair organizers namely Domotex Deutsche Messe Hanover, Germany for putting up a business stall in the exhibition centre. We hold that no TDS is deductible on such payment and hence no disallowance is called for.

5. In the result, the appeal of the assessee is allowed.
Order Pronounced in the Open Court on 28/06/2023.

Sd/-

(Yogesh Kumar US)
Judicial Member

Sd/-

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

Dated: 28/06/2023

Subodh Kumar, Sr. PS

Copy forwarded to:

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

ASSISTANT REGISTRAR