

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'B': NEW DELHI**

**BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER  
AND  
MS. ASTHA CHANDRA, JUDICIAL MEMBER**

**ITA No.88/Del/2018  
(Assessment Year: 2014-15)**

Castmaster Industries Pvt. Ltd.,  
C-5, Maharani Bagh,  
New Delhi – 110 065.

vs.

ACIT, Circle 5 (2),  
New Delhi.

**(PAN : AAACR2847R)**

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : Ms. Manju Goel, CA

REVENUE BY : Shri Vivek Kumar Upadhyay, Sr. DR

Date of Hearing : 25.01.2024

Date of Order : 06.02.2024

**ORDER**

**PER SHAMIM YAHYA, ACCOUNTANT MEMBER :**

This appeal by the assessee is directed against the order of the Id. CIT (Appeals)-25, New Delhi dated 13.09.2017 for the assessment year 2014-15.

2. Although assessee has raised various grounds, Id. Counsel of the assessee pressed only ground no.4 which read as under :-

“The addition made by the learned AO is bad in law in so far as the adding the amount of addition made while framing of assessment u/s 143(3) of the Income Tax Act to the book profit of the company.”

3. In this case, AO in the assessment order made several additions as under :-

Gross total income/loss as per computation of income		Rs.(59,03,678/-)
Add :	As per para 4	Rs. 1,51,243/-
	As per para 5	Rs. 26,33,890/-
	As per para 6	<u>Rs. 1,20,780/-</u>
	Total income :	<u>Rs.(29,97,765/-)</u>

4. Upon assessee's appeal, ld. CIT (A) granted part relief. However, the assessee has also urged ld. CIT (A) that AO has made adjustment of the additions under income-tax computation of the book profit also and has enhanced the book profit accordingly. The ld. CIT (A)'s order in this regard is as under :-

“In Ground No. 4 of the appeal the Appellant has stated that the Assessing Officer has added the amount of additions made while framing of Assessment u/s 143(3) of the Income Tax Act, 1961, to the Book Profit of the Appellant Company. It is seen that the addition of Rs.26,33,890/- has been deleted and the other additions of Rs.1,51,243/- and Rs.1,20,780/-(with Enhancement of Rs.12,42,627/-) have been confirmed. It is seen that Assessing Officer has not giving any finding regarding Book Profits in the Assessment Order. The Appellant Company could not explain and justify its claim regarding Ground No.4. Hence, Ground No.4 of the appeal is also dismissed.”

5. Against the above order, assessee is in appeal before us. We have heard both the parties and perused the records.

6. Ld. Counsel of the assessee submitted that adjustment to book profit has to be done as per the mandate of section 115JB of Income-tax Act, 1961

(for short 'the Act'). She prayed that these adjustments are not in accordance with law. Hence, she prayed that the issue may be remanded to the AO. Ld. DR for the Revenue did not have any opposition to this proposition.

7. Upon careful consideration, we find that the adjustment to book profit in this case has not been examined on the touchstone of provisions of section 115JB of the Act. Hence, in the interest of justice, we remit the issue to the file of AO. The AO shall compute the book profit as per provisions of section 115JB of the Act. Needless to add, assessee should be granted adequate opportunity of being heard.

8. In the result, this appeal filed by the assessee is partly allowed for statistical purposes.

**Order pronounced in the open court on this 06<sup>th</sup> day of February, 2024.**

**Sd/-  
(ASTHA CHANDRA)  
JUDICIAL MEMBER**

**Sd/-  
(SHAMIM YAHYA)  
ACCOUNTANT MEMBER**

**Dated the 06<sup>th</sup> day of February, 2024  
TS**

Copy forwarded to:

- 1.Appellant
- 2.Respondent
- 3.CIT
- 4.CIT (A)-25, New Delhi.
- 5.CIT(ITAT), New Delhi.

**AR, ITAT  
NEW DELHI.**