

आयकर अपीलीय अधिकरण, अहमदाबाद न्यायपीठ
**IN THE INCOME TAX APPELLATE TRIBUNAL,
" D " BENCH, AHMEDABAD**

**BEFORE Ms SUCHITRA KAMBLE, JUDICIAL MEMBER
And
SHRI WASEEM AHMED, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.958/AHD/2023

निर्धारण वर्ष/Asstt. Year: 2012-2013

The D.C.I.T, Gandhinagar Circle, Gandhinagar.	Vs.	Effective Tele Services Pvt. Ltd., 101-103, 1 st Floor, Infor Tower 4, Infocity Complex, Air Port Road, Nr. Indroda Circle, Gandhinagar. PAN: AAACE9318E
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(Applicant)		(Respondent)
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Revenue by	:	Smt. Malarkodi R, Sr. DR
Assessee by	:	Shri Shalibhadra Shah, AR

सुनवाई की तारीख/**Date of Hearing** : **29/02/2024**

घोषणा की तारीख /**Date of Pronouncement**: **06/03/2024**

आदेश/ORDER

PER WASEEM AHMED, ACCOUNTANT MEMBER:

The captioned appeal has been filed at the instance of the Revenue against the order of the Learned Commissioner of Income Tax (Appeals), Gandhinagar, arising in the matter of assessment order passed under s. 143 r.w.s. 147 of the Income Tax Act, 1961 (here-in-after referred to as "the Act") relevant to the Assessment Year 2012-13.

2. The only issue raised by the revenue is that the Ld. CIT(A) erred in deleting the addition made by the AO for Rs. 2,05,30,205/- representing the TDS receivable written-off which was not allowable as deduction.

3. The AO during the assessment proceedings found that the assessee has written-off an expense of Rs. 2,05,30,205/- on account of TDS written-off which was not allowable deduction u/s 37 of the Act. Thus, the AO disallowed the same and added to the total income of the assessee.

4. On appeal, the Ld. CIT(A), deleted the addition made by the AO on the reasoning that the amount debited in the profit and loss account under the head TDS receivable for Rs. 2,05,30,205/- was added back to the total income of the assessee. Thus, the impugned amount was not allowed as deduction as alleged by the AO. Thus, the Ld. CIT(A) deleted the addition made by the AO by observing as under:

The assessee's submission is considered. On perusal of the copy of computation of income filed by the assessee, it is observed that the amount of Rs.2,05,30,205/- being TDS receivable net off, was added back to the net profit while computing from business/profession. Hence, assessee's contention is found to be correct and no disallowance should had been made by the assessing officer on this account. It is noticed that the AO has also not provided any reason in the assessment order for not accepting the assesee's submission. Accordingly, the AO is directed to delete the disallowance made.

5. Being aggrieved by the order of the Ld. CIT(A), the Revenue is in appeal before us.

6. Both the Ld. DR and the Ld. AR before us vehemently supported the order of the authorities below.

6.1 We have heard the rival contentions of both the parties and perused the materials available on record. On perusal of the statement of income, placed on pages 75 to 77 of the paper book, it is noted that impugned claimed made in the profit and loss account was added back to the total income of the assessee.

Likewise, the findings given by the Ld. CIT(A) has also not been controverted by the Ld. DR appearing on behalf of the revenue. Thus, we hold that the assessee has not claimed the deduction of Rs. 2,05,30,205/- discussed above as alleged by the AO. Hence, we do not find any reason to interfere in the findings of Ld. CIT(A). Hence, the ground of appeal of the revenue is hereby dismissed.

7. In the result, the appeal filed by the revenue is dismissed.

Order pronounced in the Court on 06/03/2024 at Ahmedabad.

**Sd/-
(SUCHITRA KAMBLE)
JUDICIAL MEMBER**

**Sd/-
(WASEEM AHMED)
ACCOUNTANT MEMBER**

Ahmedabad; Dated
Manish

**(True Copy)
06/03/2024**