

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

Before Sh. Kul Bharat, Judicial Member

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

ITA No. 1404/Del/2023 : Asstt. Year : 2017-18

DCIT, Circle, Hisar, Haryana	Vs.	Gawar-Ciegall (J.V.). DSS 378, Sector-16-17, Hisar, Haryana-125005
(APPELLANT)		(RESPONDENT)
PAN No. AAPFG1790G		

**Assessee by : Sh. Ashwani Kumar, CA &
Sh. Ankur Agarwal, CA**

Revenue by : Sh. Vivek Kr. Upadhyay, Sr. DR

Date of Hearing: 11.03.2024

Date of Pronouncement: 17.05.2024

ORDER

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

The present appeal has been filed by the Revenue against the order of National Faceless Appeal Centre (NFAC), Delhi dated 28.02.2023.

2. Following grounds have been raised by the Revenue:

"1) Ld. CIT(A) has erred in not appreciating the facts that as per provisions of section 801A(4) only such enterprise which is owned by an Indian Company or Consortium of Indian companies carrying/engaged in infrastructure facility are eligible for deduction under this section. In the instant case, assessee is a partnership firm bearing two Indian companies as partners having 75% and 25% ratio in the share of profit and loss. Strengthened from the fact that assessee is having PAN of partnership firm i.e. AAPFG17900 and not of a company or of a consortium of companies.

ii) Further, as per letter of Acceptance/allotment dt. 05.01.2016 reg. notification of award package no BSHP-

11/4/SH-90 issued by Bihar State Road Development Corporation Limited, it is revealed that assessee has been awarded only for completion of balance civil work in Karnakudariya-Chapra section of Mohammadpur-Chapra road. In each line of contract work, the word "Contractor" is appearing almost in each line of terms and conditions instead of a developer of infrastructure. Hence assessee was given civil contract work of balance work/part of the work and comes under the category of Works Contract and in this way also not entitled for deduction 801A of the Income tax Act.

iii) Ld. CIT(A) has erred in not appreciating the facts that the creditworthiness of unsecured loans of Rs. 77,00,000/- has not been proved by the assessee in terms of section 68 of the Income Tax Act, 1961 during assessment proceedings. Identity and credit worthiness has not been proved despite summons issued to the unsecured loans through postal mode as well as sent through notice server of the department.

iv) Ld. CIT(A) has erred in not appreciating the facts that the assessee has not furnished information/bills/vouchers from which genuineness of the expenses debited by the assessee in profit & loss account could be verified. Hence the AO had no option other than making ad-hoc disallowance of Rs. 10,00,000/-."

Unsecured loans of Rs. 77,00,000/-:

3. The Assessing Officer noticed that the assessee has received unsecured loan of Rs.77,00,000/- from M/s Pradik Impex Pvt. Ltd., during the year under consideration. The Assessing Officer issued notice u/s 133(6) of the Income Tax Act, 1961 to the creditor to verify the genuineness of loan, but no reply was received directly from the creditor in response to notice. The Assessing Officer held that, however, a reply from creditor was delivered by someone on the Receipt Counter on 24.12.2019 which is reproduced as under:

"With reference to your notice with number DCIT/Circle/HSR/19-20/Compulsory/51/4781 dated 16.09.2019, we are submitting herewith the required documents relating to unsecured loan of Rs.77,70,000/- given to M/s Gawar Ceigil (J.V.) DSS-278, Sector 16-17, Hisar during the F.Y. 2016-17. Also, no interest is charged on loan given as the directors are relative."

4. The AO observed that this reply was signed by some so called authorized signatory where name, address and PAN were not mentioned.

5. To examine the genuineness of the reply and its contents summons were issued on 25.12.2019 for personal appearance on 26.12.2019 to Shri Gobind Prasad, Director of M/s Pradik Impex Pvt. Ltd., were issued to addresses provided in ITR and PAN on the following address:-

"Gobind Parsad Kedia, Director
M/s Paradik impex Private Limited
House No.490, Urban Estate-11, Hisar.
and H.No.18, Ward-12, Siwani Mandi.

6. Summons were also issued by the Assessing Officer to Principal Officer/Managing Director on the address mentioned by the company in its bank account i.e. EG-35, Pushpa Complex. The Notice Server reported that neither the Director Shri Gobind Parsad Kedia reside at the given address nor the office of M/s Pradik Impex Pvt. Ltd., is situated at the given addresses.

7. From the above facts and the information gathered, the Assessing Officer held that M/s Pradik Impex Pvt. Ltd. is a paper company owned by dummy directors and so called

confirmation filed on behalf of the company is fake and signed by some unknown person as an authorized signatory. The Assessing Officer held that this fact is further strengthened by the perusal of the financials of the company which shows a share capital of Rs.5,67,500/- and a net profit of Rs.1617/- only and company has no fixed assets or taken any building on rent, which was essential for running business by the company. The Assessing Officer held that M/s Pradik Impex Pvt. Ltd. has also not filed its ITR for A.Y. 2017-18 as copy of same is not furnished so far. The Assessing Officer further held that perusal of the bank account furnished with the reply signed by authorized representative reveals that only one page of copy of bank account without mentioning the name of the bank in which this account has been maintained. This page of the bank account reveals that assessee has received unsecured loan of Rs.69,70,000/- and Rs.8,00,000/- on 04.04.2016 and this amount was credited in the account of the creditor on the same day.

8. The Assessing Officer has also observed that the company has also been struck off by Registrar of Companies, Delhi and Haryana and hence, made addition of Rs.77,00,000/- as unsecured loan received from dummy paper companies. While making the addition, the Assessing Officer has also relied on the judgment of Hon'ble Supreme Court in the case of Pr. Commissioner of Income Tax (Central)-1 Vs. NRA Iron & Steel Pvt. Ltd. and on the judgments in the case of CIT vs. Precision Finance Pvt. Ltd., Kale Khan Mohammad Hanif vs. CIT, Roshan Di Haiti vs. CIT and Sumati Dayal vs. CIT.

9. Aggrieved, the assessee filed appeal before the Id. CIT(A).

10. Before the Id. CIT(A), the assessee has taken the following arguments and submitted the relevant details pertaining to those arguments:

- That the AO issued a Notice calling for information u/s 133(6) of the Act from creditor of the Appellant, i.e. Pradik Impex Pvt. Ltd. in connection with the unsecured loan advanced to the Appellant during the FY 2016-17. In response, M/s Pradik Impex, through their Authorized Signatory Sh. Umesh, Director filed response with complete documents relating to unsecured loan of Rs. 77,70,000/- given to the Appellant during FY 2016-17. In the reply, it was also stated that no interest is charged on the loan given as the directors are relatives. The reply submitted along with supporting documents on 24.12.2019.
- That the following documents were submitted by Pradik Impex:
 - a. *Cover letter in reply to Section 133(6) of I. T. Act in case of Appellant for AY 2017-18, containing inter-alia PAN, Address of Pradik Impex.*
 - b. *Copy of ledger account of Pradik Impex appearing in books of Appellant showing the unsecured loan advanced in FY 2016-17.*
 - c. *Bank Account Statement of Pradik Impex, dated 04.11.2019 was also furnished.*
- Further, the source of unsecured loan advanced to the Appellant was also furnished before the AO. M/s Pradik

Impex had received money from following customers, as is evident from copy of ledger accounts furnished:

- i. Tiku Ram Gum and Chemicals Pvt. Ltd., Siwani Mandi, Distt Bhiwani: Rs. 9,70,797/- received on 04.04.2016.*
 - ii. A sum of Rs. 50,00,000 was received by Pradik Impex from same Company, i.e. Tiku Ram Gum and Chemicals on 30.03.2016 via Transaction No. UTR SBI INR12016033027803. In support of this, copy of Ledger Account for the period 01.04.2015 to 31.03.2016 was furnished.*
 - iii. To prove the genuineness of the Debtor, namely Tiku Ram Gum and Chemicals, Pradik Impex furnished a copy of ITR Acknowledgment of Tiku Ram Gum and Chemicals for AY 2017-18.*
 - iv. Besides the above, M/s Pradik Impex furnished a copy of Confirmation of accounts of Mahanagar Promoters Pvt. Ltd., therein confirming the receipt of Rs. 10,00,000/- on 02.04.2016.*
- Also, a confirmation of accounts of Venus Impex, showing payment of Rs. 8,00,000/- by Venus Impex to Pradik Impex on 16.04.2016 was provided to the AO. A copy of ITR Acknowledgment for AY 2017-18 of Sh. Gobind Parsad Kedia having PAN AMEPK8133E was also furnished, that discloses his current address. Form MGT-9, Extract of Annual Return as on the financial year ended on 31.03.2015 was also furnished which explains that the Principal Business Activity of M/s Pradik Impex is trading of Guar, Gum and Split.

11. Before the Id. CIT(A), the assessee has relied on the judgment in the case of CIT vs. Oasis Hospitalities (Pvt.) Ltd. wherein the Hon'ble High Court observed that if the creditor is a Company, then to prove identity, details in form of registered address or PAN identity, etc can be furnished and in the instant case, M/s Pradik Impex had filed letter with supporting documents with the Department on 24.12.2019 in response to Notice u/s 133(6) of the Act. The said letter, duly discloses the identity of the Company, namely PAN, and its registered office address. The assessee submitted that further supporting documents were also filed, namely bank statement, Independent Auditor's Report for FY 2015-16, which goes to establish the identity of the creditor. To prove the creditworthiness of the creditor, the assessee furnished bank statement which duly discloses the following:

- a. *Receipt of Rs. 50,00,000 from Tiku Ram Gum and Chemicals on 30.03.2016*
- b. *Receipt of Rs. 10,00,000 from Mahan agar Promoters Pvt. Ltd. on 02.04.2016*
- c. *Receipt of Rs. 9,70,797 from Tiku Ram Gum and Chemicals on 04.04.2016*
- d. *Receipt of Rs. 8,00,000 from Venus Impex on 16.04.2016*

12. In reply to Notice under Section 133(6) issued to it in Appellant's case, has duly submitted various documents in the Assessment proceedings such as,

- a. *Ledger accounts of Tiku Ram Gum and Chemical,*
- b. *ITR Acknowledgment of Tiku Ram Gum and Chemical,*
- c. *Confirmation of accounts of Mahan agar Promoters and*
- d. *Confirmation of accounts of Venus Impex as referred to above*

and argued that the same has not been taken into consideration.

13. The Assessee submitted the following details before the Id. CIT(A):

Mahanagar Promoters:

ITR-Acknowledgment of Mahanagar Promoters Pvt. Ltd. for AY 2017-18.

Pradik Impex:

ITR- Acknowledgment of Pradik Impex for AY 2019-20, 2018-19, 2016-17, 2015-16, 2014-15, 2013-14, 2012-13.

14. It was also submitted before the Ld. CIT(A) that the AO has erroneously noted that in the letter filed by Authorized Signatory of M/s Pradik Impex, no PAN and address was stated. That the said observation is contrary to facts on record. Perusal of the said letter filed with Department on 24.12.2019 indicates that PAN of Pradik Impex, i.e. AAGCP3196H and its address was indicated, i.e. 1725, Sector-13, Karnal. Further, the said letter was signed by Sh. Umesh, and his signature could have been verified from the Consent to act as Director, that was issued in Form-DIR 2. The AO issued summons were allegedly issued on 25.12.2019 for appearing on 26.12.2019 to Sh. Gobind Prasad, alleged to be Director of M/s Pradik Impex on following address:

Gobind Prasad Kedia, Director
M/s Paradik Impex Pvt. Ltd.
House No. 490, Urban Estate- II, Hisar
And H. No. 18, Ward-12, Siwani Mandi

against the correct address of Sh. Gobind Prasad Kedia, i.e. H. No. 118, Ward No 12, Siwani Mandi as mentioned in the ITR for AY 2017-18 of Sh. Gobind Parsad Kedia.

15. With regard to the non-service of Notice on the Address of Company indicated in its Bank statement, it is submitted that EG-35, Pushpa Complex was registered office address of Pradik Impex from date of its incorporation to 17.05.2012 and ceased to be the registered office address thereafter. In this regard, reliance is placed on the Filings with MCA, of Form 18, that is e-filed. The said Forms duly note that Company has duly intimated the MCA regarding change in its registered office address to 1725, Sector-13, Karnal, Haryana-132001, w.e.f. 17.05.2012. It was argued that based on incorrect enquiries conducted and the issuing of summons on wrong address, the AO has erred in observing that Pradik Impex is a paper company owned by dummy directors and has no Fixed Assets or taking any building on rent and the allegation of the AO that Pradik Impex has been struck off by Registrar of Companies, Delhi and Haryana was not valid. Further, Pradik Impex is a regular assessee and has been filing its income tax returns.

16. Rebutting the revenue's contention relying on the decision of Hon'ble Supreme Court in the case of PCIT vs. NRA Iron and Steel MANU/SC/0325/2019, the assessee submitted that,

"9 The judgement cited hold that the Assessing Officer ought to conduct an independent enquiry to verify the genuineness of the credit entries.

In the present case, the Assessing Officer made an independent and detailed enquiry, including survey of the so called investor

companies from Mumbai, Kolkata and Guwahati to verify the creditworthiness of the parties, the source of funds invested and the genuineness of the transactions. The field reports revealed that the shareholders were either non-existent or lacked creditworthiness."

in case of NRA Iron and Steel, the AO made an independent and detailed enquiry including survey of so-called investor company from Mumbai, Kolkata and Gauhati to verify the creditworthiness of the parties, source of funds and genuineness of the transactions. The field reports reveal that shareholders were either non-existent or lack of creditworthiness. On the contrary, in the instant case, the identity of the creditor Pradik Impex, was duly disclosed.

17. On going through the details, the Id. CIT(A) deleted the addition holding as under:

"During the course of assessment proceeding, the A.O. noticed in the balance sheet of the appellant that it had taken an unsecured loan of Rs. 77,00,000/- from M/s Pradik Impex Pvt. Ltd. (hereinafter as 'Pradik Impex'). To ascertain the genuineness of the entry A.O. issued notice u/s 133(6) to Pradik Impex. A reply was received by the A.O. on 24.12.2019 wherein the loan to the appellant was confirmed and also it was stated that no interest was charged as directors are relative. The A.O. noted the reply was signed by 'Authorized Signatory' whose name, address and PAN was not mentioned. The A.O. issued summons to director Gobind Prasad Kedia on 25.12.2019 in two address

- i. House No. 490, Urban Estate-II, Hisar*
- ii. H. No. 18, Ward-12, Siwani Mandi*

Another summon was issued at EG-35, Pushpa Complex, as per address mentioned in the bank account of Pradik Impex. The notice server of the A.O. reported that neither the director nor the company could be found in those addresses. Thereafter, the A.O. analyzed the financials of the company held Pradik Impex as a paper company as it has no fixed assets, no activity, not mentioned name in the signed submission, not provided name of the bank account etc. The A.O. also noted that the company has been struck off by the RoC, Delhi Haryana. The added the unsecured loan u/s 68 to the income of the appellant.

5.2.1 The appellant submitted that the A.O. was incorrect to mention that no PAN, Address was mentioned in the confirmation letter and submitted a copy of the letter filed before A.O. duly stamped on 24.12.2019. It was noted that in the impugned letter PAN and address of Pradik Impex was mentioned as 1725, Sector 13, Karnal. The appellant submitted that A.O. has sent the summons to a different residential address of erstwhile director Gobind Prasad Kedia, which was not correct. The appellant further submitted Shri Kedia resigned as Director from 16.02.2017 and that the change in address and director were duly uploaded in the MCA portal. The appellant submitted a copy of these documents from MCA website. The appellant also submitted that Pradik Impex has been regularly filing return of income and submitted a copy of the same. The appellant claimed that the addition on this count was made by the A.O. as a result of improper enquiry for which the appellant cannot be held responsible.

5.2.2 I have considered the arguments of the A.O. as well as the appellant. It is a fact that during the assessment proceedings Pradik Impex vide submission dated 24.12.2019 provided the A.O. requisite information along with correct

address. The A.O. sent three summons to three different addresses none of which belonged to the appellant at that time. The basis of conclusion drawn by the A.O. was non availability of Pradik Impex on these addresses. To establish genuineness of a credit entry, three conditions have to be established. First identity of the loan creditor, creditworthiness of the loan creditor and genuineness of the transaction. The appellant before the A.O. supplied PAN, address of the creditor. Pradik Impex in the submissions made also supplied details like ledger, confirmation of those entities, ITR from which it received funds, which were forwarded as unsecured loan to the appellant. Also bank account statements showing the loan transactions were also provided. Therefore, all the three conditions were successfully met by the appellant. The A.O. relied upon the decision of Hon'ble Supreme Court in the case of PCIT vs. NRA Iron and Steel MANU/SC/0325/2019 to establish the loan as non-genuine. The Hon'ble Apex Court had rendered the decision which was based on independent and detailed enquiry including survey of so-called investor company from Mumbai, Kolkata and Gauhati to verify the creditworthiness of the parties, source of funds and genuineness of the transactions. However, the conclusion drawn by the A.O. was based on flawed enquiry at an address which was not the place of business of the concerned party. Conducting a business on rent cannot be a reason to hold a transaction as non-genuine. Besides this no infirmity in the appellant's submission could be pointed by the A.O. to hold that this loan transaction was not genuine. In my considered opinion, the appellant has discharged the primary onus of providing identity, creditworthiness and genuineness of the loan transaction. The onus was now shifted to the A.O. to prove otherwise. The finding given by the A.O. was on the basis of incorrect enquiry. Therefore, the result of such enquiry cannot

be accepted as evidence for making addition u/s 68. Thus the A.O. is directed to delete the addition of 77,00,000/- Ground raised by the appellant is hereby allowed."

18. Aggrieved, the Revenue filed appeal before the Tribunal.

19. Before us, the Id. DR relied on the order of the Assessing Officer and the Id. AR relied on the order of the Id. CIT(A) and the submissions made before the authorities below.

20. Heard the arguments of both the parties and perused the material available on record.

Cash credits:

21. The provisions of Section 68 is as under:

"S. 68. Where any sum is found credited in the books of an assessee maintained for any previous year, and the assessee offers no explanation about the nature and source thereof or the explanation offered by him is not, in the opinion of the Assessing Officer, satisfactory, the sum so credited may be charged to income-tax as the income of the assessee of that previous year:

Provided that where the assessee is a company (not being a company in which the public are substantially interested), and the sum so credited consists of share application money, share capital, share premium or any such amount by whatever name called, any explanation offered by such assessee-company shall be deemed to be not satisfactory, unless—

(a) the person, being a resident in whose name such credit is recorded in the books of such company also offers an

explanation about the nature and source of such sum so credited; and

- (b) *such explanation in the opinion of the Assessing Officer aforesaid has been found to be satisfactory:*

Provided further that nothing contained in the first proviso shall apply if the person, in whose name the sum referred to therein is recorded, is a venture capital fund or a venture capital company as referred to in clause (23FB) of section 10."

22. Section 68 is attracted in following circumstances, as is evident from perusal of Section 68:

- a. Any sum is found credited in the books of an assessee maintained for any previous year.
- b. And assessee offers no explanation about the nature and source thereof.
- c. Or the Explanation offered by him is not, in the opinion of the Assessing Officer, satisfactory.

23. In the instant case, it is not the case of the AO that no explanation was offered as regards the nature and source of the sum credited in books of the Appellant. On the other hand, it is the case of AO that the genuineness of loan and credit worthiness of creditors has not been proved.

24. The assessee has submitted the entire details about the unsecured loans received from Pradik Impex Pvt. Ltd. and all the relevant details to prove the identity, genuineness and creditworthiness of the parties. The AO has made addition entirely on surmises and on wrong facts. The summons have

been issued at wrong address and the details given by the assessee have been totally ignored. Having gone through the facts narrated above and the rationale given by the Id. CIT(A), we find no reason to interfere with the order of the Id. CIT(A). The appeal of the revenue on this ground is dismissed.

Ad-hoc Disallowance of Rs. 10,00,000/-

25. The assessee has debited huge expenses in his work profit and loss account mainly under the heads as under:

- | | | |
|-----|---------------------------|----------------|
| i) | Cost of material consumed | 43,35,40,535/- |
| ii) | Direct Expenses | 25,40,42,977/- |

26. The assessee was asked to furnish the detail of the expenses alongwith some other expenses debited in profit & loss account and produce bills/vouchers to prove the genuineness of the same. The assessee furnished the detail of some of the expenses, but did not produce bills/vouchers in support of his contention. As the assessee has not furnished complete information, bills / vouchers from which genuineness of the expenses debited by the assessee in profit & loss account could be verified, the AO disallowed on ad-hoc basis an amount of Rs. 10,00,000/-

27. Aggrieved, the assessee filed appeal before the Id. CIT(A).

28. Before the Id. CIT(A), the assessee submitted that,

"The AO has made additions of Rs. 10,00,000/- on account of excess expenses debited in P&L account and allegedly in absence of complete information and bills/ vouchers of the expenses, and on

inability of AO to verify genuineness of expenses debited in P&L account. The above observations made by the AO are manifestly erroneous and contrary to facts. That it is pertinent to note the factual position. The Appellant furnished the following documents:

Sub-contractor

- a. *Confirmation of Account received from M/s Sahdev Kumar Contractor, Hisar (Sub-contractor)*
- b. *Ledger account of Advance account of Appellant appearing in books of Sahdev Kumar Contractor*
- c. *Ledger Account of Sahdev Kumar Contractor*

Copy of documents justifying expenditure incurred on account of payment to sub-contractor.

Power and fuel

- d. *Ledger account of IOCL, Patna*
- e. *Ledger Account of Shiv Bhawani Petroleum, Saran A/c*
- f. *Ledger account of Mahavir Enterprises A/c*
- g. *Ledger account of Aanjaney Organics, Delhi A/c*
- h. *Ledger Account of Maa Samleshwari Filing Station, Saran A/c*
- i. *Ledger account of R. S. Petroleum, Saran A/c*
- j. *Ledger account of Shiv Durga Petroleum A/c*
- k. *Ledger account of Shree Guru Kripa Oil Traders A/c*
- l. *Ledger account of Full Moon Carbochem A/c*

Copy of ledger accounts for expenditure incurred on account of power and fuel.

Insurance Expenses: Work A/c

- m. *Ledger account of Insurance Expenses: Work A/c*
- n. *Contractors All risk Insurance Policy issued by United India*

- o. Miscellaneous Cover Note issued by United India Insurance*
- p. Accounts reports issued by United India Insurance Co. Ltd.*
- q. Receipt issued by United India Insurance Co. Ltd.*
- r. Endorsement schedule and endorsement worksheet, contractors all risk insurance policy.*

Copy of Ledger account of insurance expenses along with policy and receipt issued by United India etc..

Payment of Bihar VAT for year 01.04.2016 to 31.03.2017

- s. Details of B. VAT deduction and payment for the year 2016-17, duly signed by Deputy General Manager (Tech.), BSRDC, Project Implementation Unit, Hajipur and Accounts executive, BSRDC, Hajipur.*
- t. Challans*

Copy of Certificate issued by Bihar VAT Authorities along with copy of challans.

Materials purchase

- u. Ledger of purchase of Bitumen, Steel, Cement, Misc. Consumable stores, Transformer, Bricks, Black stone, GSB Material, Rubber process oil, Black dust, Stone dust, wash sand, Local Mitty, Bolder dust etc.*

Copy of Ledger of accounts of Materials purchased from several vendors .

118. In this respect, it is submitted that when the payment of all expenses were being made through bank transfers, and when all the transactions were duly being recorded in books of accounts of the Appellant, the findings of AO is not acceptable."

29. On going through the details, the Id. CIT(A) deleted the addition holding as under:

"The observations of the AO, submissions of the appellant and the material on record have been considered. In the instant case, the A.O. made ad-hoc disallowance of Rs. 10,00,000/- out of expenses claimed of Rs. 43,35,40,535/- & 25,40,42,977/- on account of cost of material and direct expenses. The A.O. made this ad-hoc disallowance as complete details including bill/vouchers were not produced. The appellant submitted that it had furnished complete ledger accounts before the A.O. which dates specifying when the expenses were incurred or purchases were made and also bank account details from which the payments were made. It had also filed copies of the same during appellate proceedings...Further, there was no mention of rationale in arriving at the quantum of disallowance in the present case. Consequently, there is force in the claim of the appellant that devoid of any specific infirmity in the appellant claim, the ad-hoc disallowance is not justified. In view of this, the A.O. is directed to delete the ad-hoc disallowance of Rs. 10,00,000/-. Ground raised by the appellant is allowed."

30. On going through the details, we find that the Assessing Officer has made ad-hoc disallowance inspite of the fact that all the evidences such as material purchase, payment of VAT, insurance expenses, sub-contractor expenses and power & fuel expenses alongwith the ledgers are submitted before the authorities below. The Id. CIT(A) has gone through the entire details and rightly deleted the addition. Hence, we decline to interfere with the order of the Id. CIT(A). The appeal of the Revenue on this ground is dismissed.

Deduction u/s 80IA: (Ground no. 1 & 2)

31. Keeping in view the settled judgment of CIT Vs. ABG Heavy Industries Ltd., BMW Industries Ltd. Vs. DCIT in ITA No. 1020/Kol./2016, the deduction claimed by the assessee u/s 80IA has been rightly allowed by the Id. CIT(A).

32. In the result, the appeal of the Revenue is dismissed.
Order Pronounced in the Open Court on 17/05/2024.

Sd/-

(Kul Bharat)
Judicial Member

Dated: 17/05/2024

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