

**THE INCOME TAX APPELLATE TRIBUNAL
ALLAHABADBENCH, ALLAHABAD**

**BEFORE SH.SUDHANSHU SRIVASTAVA, JUDICIAL MEMBER
AND
SH. NIKHIL CHOUDHARY, ACCOUNTANT MEMBER**

ITA No.27/Alld/2024
A.Y.2021-22

SBW Udyog Limited, 44, Thornhill Road, Prayagraj	vs.	Deputy Commissioner of Income Tax, Circle-1, Prayagraj
PAN:AADCS2883B		
(Appellant)		(Respondent)

Assessee by:	Sh. N.C. Agrawal, C.A.
Revenue by:	Sh. A.K. Singh, Sr. DR
Date of hearing:	18.12.2024
Date of pronouncement:	13 .03.2025

ORDER

PER NIKHIL CHOUDHARY, A.M.:

This is an appeal filed against the orders of the Id. CIT(A) under section 250 of the Income Tax Act, 1961 on 31.01.2024, dismissing the appeal of the assessee against the orders of the CPC Bengaluru, under section, 143(1) dated 17.10.2022. Subsequently, the said appeal was migrated to the NFAC and later on, the appeal proceedings were transferred to the Additional / JCIT(A), Aurangabad, who has dismissed the appeal of the assessee. The grounds of appeal preferred by the assessee are as under:-

"1. Because, Income Tax Department, Ministry of Finance, Government of India has observed in the notice Under Section 250 of the Income Tax Act, 1961, which reads as Under:-

"The income Tax Department recognizes and is sensitive to the hardships being faced by taxpayers in coping with the challenges posed by COVID-19 pandemic."

Consequently, appeal is liable to be allowed.

2. Because, CIT (Appeal) has erred in law and on facts in holding as under:-

"The appellant has invited attention to order in Suo Moto Writ Petition (civil) No.03 o 2020 dated 08/03/2021. This Writ Petition does not cover the issue involved in the instant case. "

3. Because, the CIT (Appeal) has erred in law and on facts in confirming disallowance of Rs. 43,04,355/- and ignoring the extension of limitation under the various laws of Central and State Government in Suo- Moto Writ Petition (Civil) No. 03 of 2020 dated 08/03/2021 pronounced by the Hon'ble Supreme Court of India.

4. Because, the delay in depositing Provident Fund and ESI by a day or two stand extended due to said COVID-19 pandemic in terms of decision of Hon'ble Supreme Court. Consequently, disallowance made is liable to be deleted.

5. Because, returned income has been accepted in the order passed Under Section 143 (3) of the Act dated 21/12/2022 without any addition, whatsoever hence the addition made for a sum of Rs. 43,04,355/-in the order passed Under Section 143 (1) of the Act is liable to be deleted.

6. Because, the order appealed against is contrary to law, facts and principles of natural justice."

2. The facts of the case are, that the assessee a company engaged in manufacturing of Bidis and also carrying on the business of Hotels, Marketing & Lubricants etc., filed a return of income disclosing an income of Rs.7,16,79,080/- on 22.01.2022. Thereafter, the return was processed by the CPC, Bengaluru on 17.10.2022, wherein the total income was worked out at Rs.7,59, 83,430/-. A disallowance was made for a sum of Rs.43,04,355/-, as being hit by section 36(1)(va) of the Income Tax Act, 1961. The details were as under:-

<i>Month and Year</i>	<i>Nature of fund</i>	<i>Sum recd. From employee</i>	<i>Due date of Payment</i>	<i>The actual amount paid</i>	<i>The actual date of payment to the concerned authorities</i>
<i>Paid to RPFC, Titagarh</i>					
<i>FEBRUARY, 2021</i>	<i>P.F.</i>	<i>21,56,118.00</i>	<i>15.03.2021</i>	<i>21,56118.00</i>	<i>17.03.2021</i>

<i>Paid to RPFC, Ranchi</i>					
<i>FEBRUARY, 2021</i>	<i>P.F.</i>	<i>21,45,352.00</i>	<i>15.03.2021</i>	<i>21,45,352.00</i>	<i>17.03.2021</i>
<i>Paid to Director, ESI Kanpur</i>					
<i>AUGUST,2020</i>	<i>E.S.I.</i>	<i>2,346.00</i>	<i>15.09.2020</i>	<i>2,346.00</i>	<i>16.09.2020</i>
<i>Paid to Director, ESI Indore</i>					
<i>AUGUST, 2020</i>	<i>ESI</i>	<i>539.00</i>	<i>15.09.2020</i>	<i>539.00</i>	<i>16.09.2020</i>
			<i>Total</i>	<i>43,04,355.00</i>	

3. The assessee submitted before the Id. CIT(A), that section 36(1)(va) of the Act was to be read with section 43B of the Act and contribution of Provident Fund and ESI paid till the filing of the return of income, was an allowable expense because the amendment in the Act had only been made w.e.f. 1.04.2021. The Id. Addl /JCIT(A) was not convinced by the arguments submitted by the assessee and he brought it to the knowledge of the assessee, that the Hon'ble Supreme Court in the case of Checkmate Services P. Ltd. vs. Commissioner of Income Tax in Civil Appeal No.2833 of 2016, had held that the non-obstante clause contained in section 43B would not in any manner dilute or override the employers obligation to deposit the amounts retained by it or deducted by it from the employees income, unless the condition that it is deposited on or before the due date under those Acts is fulfilled. It had distinguished the payments required to be made by an assessee in the form of tax, interest payments and other statutory liabilities from the amounts that were held by an assessee in trust, such as the Employees Contribution to Provident Fund, ESI etc, and held that they had to be deposited in terms of the timeline given in those welfare enactments. Therefore, the Id. Addl/JCIT(A) issued a show cause to the assessee as to why his appeal should not be disallowed. In response to the notice issued under section 250, the assessee invited the attention of the Id. Addl

CIT/JCIT(A) to the order of the Hon'ble Supreme Court of India in *Suo Moto* Writ Petition (Civil) No.03 of 2020 dated 8.03.2021, whereby due to the onset of the Covid-19 Pandemic, extension of limitation under the various laws of the State and Central Government had been granted and dates had been extended. It enclosed a copy of the order of the Hon'ble Supreme Court in the said matter, and submitted that since the payment made by the appellant was within the extended period allowed by the Hon'ble Supreme Court of India, in terms of the decision referred, consequently no disallowance on this score was called for a sum of Rs.43,04,355/-. The Id. Addl /JCIT(A) considered the matter and held that the writ petition did not cover the issue involved in the instant case, while the decision of the Hon'ble Supreme Court in the case of *Checkmate Services P. Ltd. vs. Commissioner of Income Tax*, squarely covers the issue of the instant case. In view of the fact that the Hon'ble Supreme Court had distinguished between employers contribution and employees contribution, which had to be deposited before the due date as assigned in that Act and did not extend upto the due date for filing of return of income under section 139(1), he held that the CPC had correctly made the disallowance of Rs.43,04,355/- under section 36(1)(va) of the Act on delayed payment of Provident Fund and ESI received from the employees. Accordingly the grounds raised on this issue were dismissed.

4. The assessee is aggrieved with this order of the Id. Addl/JCIT(A) and has accordingly filed this appeal. Dr. N.C. Aggarwal, C.A. (hereinafter referred to as the Id. AR) arguing the case before us drew our attention to page 55 of his paper book containing the EPFO Circular dated 12.01.2017, in which due to the problems on the portal in the upfront allotment of UAN, connectivity issues, login issues, website slow down/hanging, awareness of new procedures etc., a number of references were being received from employers highlighting these problems. In view of the

same, a concession or grace period of five days had been allowed for employers to deposit the contribution and other dues for the month of December, 2016 by 20th of January, 2017. The Id. AR submitted that the ITAT had consequently allowed relief to the assessee for late deposit of employees contribution in the said assessment year vide its orders dated 8.12.2022. Drawing analogy from this, he pointed out that the Hon'ble Supreme Court of India had in *Suo Moto* Writ Petition (Civil) No.03 of 2020 dated 8.03.2021, considered the extra ordinary situation faced due to the Covid Pandemic and ordered that, in computing the period of limitation for any suit, appeal, application or proceeding, the period from 15.03.2020 till 14.03.2021 shall stand excluded. Consequently, the balance period of limitation remaining as on 15.03.2020, if any, shall become available w.e.f. 15.03.2021. The Hon'ble Court had further ordered that notwithstanding the actual balance period of limitation remaining as on 15.03.2020, all persons would have a limitation period of 90 days from 15.03.2021. Furthermore, the Hon'ble Supreme Court had ordered that the period from 15.03.2020 till 14.03.2021 would have application to various acts, stated by it in the order, and any other laws in which prescribed periods of limitation for instituting the proceedings, outer limits (within which the Court or Tribunal can condone delay) and termination of proceedings. The Id. AR further argued that vide its subsequent order dated 10.01.2022, the period of exclusion was extended up till 28.02.2022 and this was for the purposes of limitation as may be prescribed under any general or special laws in respect of all judicial or quasi-judicial, the other conditions being the same as ordered by them earlier. In view of this order of the Hon'ble Supreme Court, the Id. AR submitted that the period limitation for the deposit of employees' contribution to provident fund had automatically been extended and therefore, the delay, if any, should be condoned in view of these circumstances. The Id. AR further drew our attention to the fact that

this was an appeal against the processing of the case under section 143(1). However, subsequently, the case had been selected for scrutiny under section 143(3) and in the same, the returned income had been accepted. It was submitted that all the documents had been filed including the tax audit report, Form 3CD etc., and the fact that the Department, after scrutiny had not found it fit to sustain the addition on account of delayed deposit of employees contribution to Provident Fund meant that they had accepted this view of the assessee and therefore the addition that continued to exist due to the processing, should be deleted. Subsequently, the ld. AR, also drew our attention to the decision of the ITAT Raipur Bench in which the Hon'ble ITAT, after considering the order in the case of Checkmate Services P. Ltd. (supra) had passed an order in the case of Satpal Singh Sandhu vs. DCIT, Circle-1, Raipur in ITA No.04/Rpr/2023 for the assessment year 2019-20. The ld. AR submitted that in this case, a similar issue was involved and the Hon'ble ITAT after considering the judgment of the Hon'ble Supreme Court in the case of Checkmate Services P. Ltd. vs. Commissioner of Income Tax (supra), held that addition for ESI and EPF cannot be summarily made by the ld. AO CPC under section 143(1)(a) and vacated the additions therein. The ld. AR once again drew out attention to the exclusion of the period of Covid by the Hon'ble Supreme Court and pointed out that this exclusion had been done on the recommendation of the Attorney General of India and therefore, all government bodies were bound by it.

5. On the other hand, Sh. A.K. Singh, Sr. DR (hereinafter referred to as the ld. Sr. DR) pointed out that the reliance placed by the ld. AR on the Hon'ble Supreme Court order in the *Suo Moto* Writ Petition (Civil) No.03 of 2020 was wholly misplaced. He submitted that the Hon'ble Supreme Court order was only in respect of enforcement of right to file litigation. He further submitted that the said order only pertained to excluding the delay period in the filing of litigation and a wrong

meaning was being ascribed to the Hon'ble Supreme Court judgment. There was no such direction by the Hon'ble Supreme Court on the payment of statutory dues. If that had been the case, then there would have been simultaneous extension for the payment of advance tax / tax deduction at source / self-assessment tax under the Income Tax Act. The ld. Sr. DR further submitted that section 253(5) of the Income Tax Act permitted the appellate tribunal to admit an appeal or the filing of cross objection after the relevant period referred to in sub section (3) or sub section (4) if it was satisfied, that there was sufficient cause for not presenting it within that period and consequent to the order of the Hon'ble Supreme Court in *Suo Moto* Writ Petition (Civil) No.03 of 2020, the Hon'ble ITAT had been admitting appeals, excluding the earmarked period and condoning any further delay on account of the Covid Pandemic. But these orders of the Hon'ble Supreme Court did not pertain to any extension of limitation for payment of statutory dues. The ld. Sr. DR pointed out that the extension notification for the same, could only be issued by the concerned Departments. He also cited the instance of the notification dated 12.01.2017 produced by the ld. AR, to show that it was the Government Departments that issued notification for extension, in case of any difficulty being faced by assesseees in paying statutory dues within time. He argued that since the Hon'ble Supreme Court was concerned with the administration of appeals, it had issued the direction for exclusion of period to mitigate the difficulties of litigants in filing of appeal. However, this did not extend to payment of statutory dues, for which the Government was the only empowered authority to extend the dates and the ld. AR had not brought any material on record to show, that those dates for the deposits of employees' contribution to Provident Fund had been extended. In the circumstances, the reliance placed on the decision of the Hon'ble Supreme Court *Suo Moto* Writ Petition (Civil) No.03 of 2020, was misplaced.

6. With regard to the claim of the Authorized Representative, that the claim of the assessee had been accepted under section 143(3), the ld. Sr. DR submitted that these contentions were again misplaced, because the case had been selected for scrutiny on a different set of reasons. The issue of payment of employees contributions of PF/ESI was not an issue that had been taken up for scrutiny. Therefore, there was no finding recorded in the said order, with regard to the issue of payment of employees dues of PF/ESI. In the circumstances, there was no merger of the order under section 143(1) and 143(3) and for this proposition, he placed reliance on the decision of the ITAT in *Orient Craft Limited vs. DCIT (2024) 158 taxman.com 1124 (Del-Trib)*. Furthermore, the ld. Sr. DR pointed out that the order under section 143(3) had not attained finality because a notice under section 154 had been issued in the matter and the mistake committed by the ld. AO in not adding back the delayed payment of employees contribution to PF/ESI, was under process of rectification. The ld. Sr. DR also questioned the observation of the ITAT Raipur Bench wherein the Hon'ble Tribunal had held that issue of deposit of employees share of contribution towards labour welfare funds was a highly debatable issue which had only recently been settled by the judgment of the Hon'ble Supreme Court in the case of *Checkmate Services P. Ltd. vs. CIT (supra)*. He submitted that before the explanation had been inserted into the Act, the Act had never changed. The ld. Sr. DR pointed that section 36(1)(va) had been on the statute for long and its provisions were quite clear. It had only been given the colour of being debatable by various interpretations of this section and section 43B by Tribunals and Courts which had now been proven to be incorrect by the subsequent decision of the Hon'ble Supreme Court in *Checkmate Services P. Ltd vs CIT (supra)*, the Hon'ble Supreme Court in its judgment, had only explained the law as it always existed.

Therefore, the judgment of the Hon'ble Raipur Bench of the Tribunal was not a correct decision to be followed.

7. Finally, with regard to the Id. AR's submission that the Attorney General had suggested the exclusion of period for limitation before the Hon'ble Supreme Court, the Id. Sr. DR submitted that the Attorney General was a part of the Executive, he was only helping the judiciary and this facility had been given for litigants facing difficulty in approaching the Court during the course of pandemic. Nothing more should be read into the order of the Hon'ble Supreme Court other than what was contained therein.

8. Exercising his right to reply, the Id. AR drew our attention to the decision of the Hon'ble Allahabad High Court in the case of M/s Shagun Foundary vs CIT in ITA. No.87 of 2006 which had held in the favour of the assessee and pointed out that the issue was debatable because different Hon'ble High Courts had given different decision. With regard to the decision taken by the Id. AO under section 143(3), the Id. AR pointed out that a copy of the Audit report in Form 3CD had been submitted before the Id. AO during the course of assessment and therefore, his decision to not make the addition in this regard was a conscious decision. The Id. AR further reiterated that because section 143(3) was an assessment it stood on a greater footing to a processing under section 143(1) and in a proceeding under section 143(3), the Id. AO had the power to review the processing done under section 143(1).

9. We have duly considered the facts and circumstances of the case and the arguments advanced by both the parties as also the case laws presented before us. We are not in agreement with the arguments of the Id. AR, that the issue in the present case is covered by the order of the Hon'ble Supreme Court of India in *Suo*

Moto Writ Petition (Civil) No.03 of 2020. Ongoing through the orders of the Hon'ble Supreme Court, it is very clear that the order was specific to the issue of filing petitions / applications /suits/appeals /all other proceedings within the period of limitation prescribed under the general law or any special laws issued by the Central or the State. The Hon'ble Supreme Court having regard to the difficulties being faced by litigants due to the onset of the Covid 19 Pandemic, ordered that in computing the period of limitation for any suit, application, appeal or proceeding, the period from 15.03.2020 till 14.03.2021 (later extended to 28.02.2022) would stand excluded and the balance period of limitation remaining on 15.03.2020 would become available from 28.02.2022 with the rider that if the period of limitation would stand extended in all cases to 90 days or longer if the same was available to the litigants. However, it is clear from a plain reading of the orders of the Hon'ble Supreme Court that these orders were only issued for extending the limitation for instituting proceedings, outer limits within which the Court or Tribunals could condone the delay and for termination of proceedings. No inference can be drawn from these orders, that the Hon'ble Supreme Court had extended any of the due dates for payment of statutory dues under any Act. We are in agreement with the Id. Sr. DR that the Hon'ble Supreme Court being the Apex Court in-charge of all litigations in the country, was issuing directions with regard to ameliorating the difficulties of on matters relating to its domain. However, extension in payment of statutory dues, including taxes were not covered by this judgment and were separately notified by the Executive, as when deemed appropriate. The Id. AR has not brought on record, any notification of the EPFO of the like of the notification, dated 12.01.2017 which has, having regard to the difficulties faced by the employers due to the Covid 19 Pandemic, extended the due date for payment of contributions by employers. Therefore, we are inclined to accept the view of the Id. Addl/JCIT(A)

that the assessee continues to be governed by the ratio of the Hon'ble Supreme Court in Checkmate Services P. Limited vs. CIT-1, (2022) 143 taxman.com 178 (SC) and any delay in deposit of employees contribution to PF/ESI beyond the due date as prescribed in those Acts cannot be condoned.

10. The next issue that has been raised by the ld. AR is that subsequent to the order under section 143(1), the case was taken up for scrutiny under section 143(3) and the ld. AO in those proceedings has accepted the returned income of the assessee. Thereby, the ld. AO has accepted the contention of the assessee that addition was not required to be made in respect of delayed contribution to EPF / ESI and since the order under section 143(3) stood on a higher footing, therefore in the light of this order under section 143(3), the assessee's appeal in the present case should be allowed. We have considered the judgment of the Hon'ble ITAT in the matter of Orient Craft Limited vs. DCIT (2024) 158 taxman.com 1124 (Del-Trib), brought on record by the DR, where the Tribunal has held that where the additions made under the intimation under section 143(1) and 143(3) are on different issues, there is no merger of the two orders. We find from a perusal of the assessment order filed by the ld. AR that the case was selected for scrutiny for verification of purchases from suppliers who were non-filers or had filed non business ITR or reflected substantial lower turnover in ITR. The issue of PF/ESI was not a matter under consideration before the ld. AO in the proceedings under section 143(3) and was not examined by him. Therefore, it cannot be said that the ld. AO has revised his views on the intimation and there is a merger of that order with the order under section 143(3). Furthermore, we also observe that the ld. AO has subsequently issued a notice under section 154 in the matter to rectify the mistake committed by him in accepting the returned income, when the addition had already been made to the same in the order under section 143(1). Therefore, the arguments of the ld. AR

on this issue are rejected and it is held that there being no merger of the two orders, the addition made under section 143(1) would not be hit on this account.

11. With regard to the reliance placed on the orders of the ITAT Raipur Bench by the Id. AR, we are inclined to agree with the Id. Sr. DR that an order of the Hon'ble Supreme Court clarifies the law as it has always stood. We observe that section 36(1)(va) was always on the statute, its language was clear and unambiguous and any debate on the issue was only due to the fact that certain Courts and Tribunals had held that the non-obstante clause under section 43B would also apply employees contribution to Provident Fund. The Hon'ble Supreme Court, vide its order in Checkmate Services (P.) Ltd. vs. CIT (supra), has in fact clarified the law as it always stood and removed that controversy. Therefore we are unable to appreciate the view of the Raipur Bench that before the decision of the Supreme Court, since the matter was debatable, it could not be taken up under section 143(1). In our view, once the Supreme Court has clarified the law as it always stood, any previous debate on the matter therein before, can only be held to be on an incorrect appreciation of the law and that cannot oust the jurisdiction of the assessing officer under section 143(1). The issue has been well summed up by the Ranchi Bench of the Tribunal in the case of Nepal Chandra Dey Vs ACIT (2023) 152 Taxmann.com 221(Ranchi-Trib) wherein our "Id brothers have held, *"It has been held time and again that law declared by a court will have retrospective effect, if not otherwise stated to be so specifically. It is also a well settled proposition that whenever, a previous decision is overruled by a larger bench of the Supreme Court, the previous decision is completely wiped out and article 141 will have no application to the decision which has already been overruled and the court would have to decide the cases according to the law laid down by the latest decision of the Hon'ble supreme Court and not by the decision which has been expressly overruled. The above reasoning*

stems from the principle that when a court decides a matter, it is not as if it is making any new law but it is as it is only restating what the law has always been. The Reliance in this respect can be placed on the decision of the Hon Supreme Court in the case of Ramdas Bhikaji Chaudhari vs Sadanand (1980)1 SCC 550 and on the recent decision of the Hon'ble Supreme Court in the case of Manoj Parihar v State of Jammu and Kashmir, (SLP(c) no 11039 of 2022 dated 27-06-2022;P.V.George vs State of Kerala (2007)3 SCC 557; Asst CIT vs Saurashtra Kutch stock exchange Ltd(2008) 173 Taxman 322/305 ITR 227(SC)/14 SCC 171, wherein the Hon Supreme Court has held that the judges do not make law , they only discover and find the correct law . Even where an earlier decision of the court operates for quite some time, the decision rendered later on would have retrospective effect clarifying the legal position which was earlier not correctly understood.

In view of the above stated legal position, the law declared by the Supreme Court will be retrospectively applicable and it will be treated that the earlier decisions of different High Courts favouring the assessee would be of no benefit to the assessee at this stage as the said decisions of the High Court are treated to be never existed or to say are wiped out by the aforesaid decision of the Hon'ble Supreme Court”.

12. For this reason, we hold that the reliance placed by the Ld AR on the earlier decision of the Hon Allahabad High Court in the case of Shagun Foundry (supra), will not help his case. We further notice that the decision of the Hon Raipur Bench in Satpal Singh Sandhu, was based on two cases rendered earlier by the Mumbai Bench of the Tribunal in the case of Kalpesh Synthetics (P) ltd vs DCIT(2022)137 taxmann.com 475 and in the case of PR.Packaging services Ltd vs ACIT(2023)148 taxmann.com153 . We observe that the decision in the case of Kalpesh Synthetics (supra) was predicated on the fact that when there was a decision of the jurisdictional High Court that was in favour of the assessee , then the provisions of

143(1) which stated that adjustments could be made if disallowances were indicated in the audit report, could not prevail over the law laid down by the court and therefore the Bench had read down the provisions of section 143(1) accordingly and granted relief to the assessee. However, now that the cited decision of the Hon High Court has been overruled by the Hon'ble Supreme Court in Checkmate Services (p) Ltd (supra), the said judgment would not help the assessee because the indicated disallowance in the audit report is in alignment with the law as laid down by the Apex Court. With regard to the decision rendered by the Mumbai Tribunal in PR Packaging (supra), we note that the Hon Ranchi Bench in the case of Nepal Chandra Dey (supra), has pointed out that there is a prescribed form for submitting the audit report and the auditor is supposed to furnish the information as per the prescribed columns of form 3CD. They have noted that under clause 20B of the prescribed form, the auditor is supposed to furnish information regarding nature of fund, sum receipts from employee, due date of payment and actual date of payment to the authorities. This information itself indicates the allowability or disallowability of an item while processing a return. The Auditor is not required to specifically mention what disallowance or what amount of disallowance is to be made under 36(1)(va) in the prescribed form and therefore, "indicated in the audit report" means that when some information in the audit report is suggestive of a disallowance, which has not been taken into account by the assessee in computing his total income in the return, then there is no bar to the adjustment on this account while processing the return of income and since notice has to be given before adjustment, the principles of natural justice are also adhered to. Hence in that case, the Ranchi Bench has upheld the adjustment under section 143(1). A similar view of the matter has been taken by the Indore Bench of the Tribunal in the case of Prashanti Engineering Works (P) Ltd vs ADIT (2023)149 taxmann.com 488 Indore.

Finally, we observe that while deciding the case of Rohan Korgaonkar(2024) 159 taxmann.co,321(Bombay) , the Bombay High Court, after considering the case of PR Packaging(supra),effectively overruled the same, holding that after the decision of the Hon Supreme Court in Checkmate Services(P) Ltd, it is of no relevance whether the disallowance has been made under section 143(3) or under section 143(1). Therefore, in view of the aforesaid, we hold that once the legal position had been made clear in the case of Checkmate Services (P)Ltd (supra) and the disallowance had been indicated by the information in the audit report, the Assessing Officer was well within his rights to make the disallowance, while processing the return under section 143(1)(a).

13. In the result, the appeal of the assessee is dismissed.

Order pronounced in open court on 13/03/2025.

Sd/-
[SUDHANSHU SRIVASTAVA]
JUDICIAL MEMBER

Sd/-
[NIKHIL CHOUDHARY]
ACCOUNTANT MEMBER

DATED: 13/03/2025

Sh

Copy forwarded to:

1. Appellant –
2. Respondent –
3. CITDR , ITAT,
4. CIT,
5. The CIT(A)

By order
Sr. P.S.