

**IN THE INCOME TAX APPELLATE TRIBUNAL "Guwahati" BENCH, GUWAHATI
(Through virtual hearing at Kolkata)**

**BEFORE SHRI RAJESH KUMAR, AM
AND
SHRIMANOMOHAN DAS, JM**

**ITA No.140/GTY/2024
(Assessment Year: 2013-14)**

ACIT, Circle-1
Aaykar Bhawan, Milan Nagar,
Dibrugarh-786001, Assam

Vs.

Greenply Industries Ltd
Madgul Lounge, 5th Floor, 23
chetiaCental Road, Kolkata-
700027, West Bengal

(Appellant)

(Respondent)

PAN No. AAACG7284R

Assessee by : Shri Ashok Tulsyan, AR
Revenue by : Shri Sanjay Jha, DR

Date of hearing: 02.12.2025
Date of pronouncement: 15.12.2025

ORDER

Per Rajesh Kumar, AM:

This is an appeal preferred by the Revenue against the order of the Commissioner of Income-tax (Appeals), Kolkata-22(hereinafter referred to as the "Ld. CIT(A)") dated 31.01.2024 for the AY 2013-14.

2. The ground raised by the Revenue are as under:-

"1. That on the facts and the circumstances of the case and in law, the Ld. CIT(A) has erred by restricting the guarantee fee rate to 0.5% which is much lower than the CG rate of 1.50%, 1.69% & 1.27% respectively as determined by the TPO, for SCB Loans, UOB Loans and SBLC.

2. That on the facts and the circumstances of the case and in law, the Ld. CIT(A) has erred in stating that the CG fee should be benchmarked by the TPO at 0.5% without giving any scientific or logical reasoning for the same while the TPO had determined the rate based on the information available on record.

3. That on the facts and the circumstances of the case and in law, the Ld. CIT(A) has erred by restricting the CG rate at 0.5% without considering the credit rating of the AE which is a vital factor while availing loan from a financial institution, and accordingly, the effective rate of interest was calculated and CG rate was determined accurately.

4. That on the facts and the circumstances of the case and in law, the Ld. CIT(A) has erred in determining the arm's length rate of interest on adhoc basis and not in accordance with 92C of the Income-tax Act, 1961 (the Act) read with Rule 10B & Rule 10C of the Income-tax Rules, 1962 (the Rules).

5. That whether on the facts and circumstances of the case, the Ld. CIT(A) was right in Law in allowing Excise duty exemption as capital receipt while the assessee has treated the same as revenue receipt in its book, return of income as well as during assessment.

6. That whether on the facts and circumstances of the case, the Ld. CIT(A) has erred in allowing the Excise duty exemption adjustment in computation of MAT u/s 115JB.

7. That whether on the facts and circumstances of the case, the Ld. CIT(A) was right in law in giving relief in the matter of excise duty exemption where the matter was not remanded to the Assessing Officer.

8. That the appellant craves leave to add to and/ or alter, amend, modify or rescind the grounds herein above before or hearing of this appeal."

3. The issue raised in ground no.1 to 4 is against the order of Id. CIT (A) restricting the corporate fee to 0.5%.

3.1. After hearing the rival contentions and perusing the materials available on record, we find that the issue is squarely covered by the decision of the co-ordinate bench in assessee's own case in ITA No. 359/GAU/2019, for A.Y. 2014-15, wherein the co-ordinate Bench confirmed the order of Id. CIT (A) wherein the Id CIT(A) restricted the corporate guarantee fee at the rate of 0.5%. The operative part is extracted as under:-

"34. Brief facts relating to this issue are that during the year under appeal, the assessee-company had following inter-company guarantee arrangements for its Associated Enterprises:-

(i) Providing a Corporate Guarantee to Standard Chartered Bank (SCB) for a term loan/letter of credit facility on behalf of Greenlam Asia Pacific Pte. Ltd. ("Greenlam Asia") (referred to pages 446 to 461 of the paper book);

(ii) Providing a Corporate Guarantee to United Overseas Bank (UOB) for a commercial property loan on behalf of Greenlam Asia (referred to pages 462 to 471 of the paper book); and

(iii) Providing a standby Letter of Credit (SBLC) to City Bank N.A. for on behalf of Greenlam America Inc. ("Greenlam USA") and Greenlam Asia (referred to pages 478 to 485 of the paper book).

Ld. Assessing Officer during the course of assessment proceedings observed that international transaction has taken place and referred the matter to Transfer Pricing Officer, who after considering the submission of the assessee, held that Corporate Guarantee fees @ 1.22%, 1.69% and 1.27% of the respective loan amounts should be treated as income of the assessee. Ld. Assessing Officer accordingly made the addition of Rs.43,67,295/-. Aggrieved, the assessee preferred appeal before the Id. CIT(Appeals) firstly claiming that the said Corporate Guarantee given to the Associated Enterprises do not come under the purview of international transactions and also raising an alternative plea that in view of the settled judicial precedence and looking to the facts of the case, the estimated Corporate Guarantee fees can be charged within the range of Ld. Assessing Officer during the course of assessment proceedings observed that international transaction has taken place and referred the matter to Transfer Pricing Officer, who after considering the submission of the assessee, held that Corporate Guarantee fees @ 1.22%, 1.69% and 1.27% of the respective loan amounts should be treated as income of the assessee. Ld. Assessing Officer accordingly made the addition of Rs.43,67,295/-. Aggrieved, the assessee preferred appeal before the Id. CIT(Appeals) firstly claiming that the said Corporate Guarantee given to the Associated Enterprises do not come under the purview of international transactions and also raising an alternative plea that in view of the settled judicial precedence and looking to the facts of the case, the estimated Corporate Guarantee fees can be charged within the range of

35. Ld. D.R. vehemently argued supporting the orders of Id. Transfer Pricing Officer and the Id. Assessing Officer.

36. Per contra, Id. counsel for the assessee reiterated the submissions made before the Id. CIT(Appeals), the finding of the Id. CIT(Appeals) are also referred to the following decisions of Coordinate Benches determining the arm's length guarantee fees within the range of 0.3% to 0.5% of the amount:-

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Sr. No.	None of the Hon'ble Tribunal Ruling	Citation No.	Guarantee fee
1.	CIT (LTU) vs Glenmark Pharmaceuticals vs Addl CIT (Refer to page 385 to 387 of the Legal Compendium to TP)	TS-1268-SC-2018-TP	0.50%
2.	Pr. CIT vs. Couceutrix Services India Pvt. Ltd. (refer to page 388 to 396 of the Legal Compendium to TP)	TS-960-HC-2018(BOM)-TP	0.50%
3.	Everest Kento Cylinders ltd. (Refer to page 397 to 408 of the Legal Compendium to TP)	TS-200-HC-2015(Mum)-TP	0.50%
4.	Reliance Industries Ltd. (Refer to page 409 to 490 of the Legal Compendium to TP)	TS-260-ITAT-2013(Mum) -TP, 2013-TII-185-ITAT Mum-TP	0.38%
5.	Asian Paints Limited	ITA No. 408/Mum/2010 and ITA No. 1937/Mum/2010	0.25%, 0.35%
6.	Everest Kanto Cylinder Limited	TS-714-ITAT-2012(Mum)-TP	0.50%
7.	Nimbus Communication Limited	TS-167-ITAT-2013(Mum)- TP, ITA No. 6816/Mum/2010 and ITA No. 7105/Mum/2011	0.50%
8.	Glenmark Pharmaceuticals Limited	ITA No. 5013/Mum/2012 and ITA No. 5488/Mum/2012	0.53%
9.	Godrej Household Products Ltd. (earlier Godrej Sara Lee Ltd.)	TS-330-ITAT-2013(Mum)-TP TS-68-ITAT-2014(Mum)-TP	0.50%
10.	Mahindra & Mahindra Limited	TS-324-ITAT-2013(Mum)-TP	0.20% - 0.50%
11.	Prolifics Corporation Limited	55 taxmann.com 226 (Hyderabad-Trib.)	0.53%
12.	Aditya Birla Minacs Worldwide Ltd.	[2015] 56 taxmann.com 317 (Mumbai Trib.)	0.50%
13.	Cox and Kings Ltd. -vs.- DCIT	TS-540-ITAT-2015(Mum)-TP	0.50%
14.	Manugraph India Ltd.	TS-463-ITAT-2015(Mum)-TP	0.50%
15.	Hindalco Industries Ltd.	TS-431-ITAT-2015(Mum)-TP	0.50%
16.	Mylan Laboratories Ltd.	TS-399-ITAT-2015(Hyd)-TP	0.53%
17.	Xchanging Solutions Ltd.	TS-910-ITAT-2016(Bang)-TP	0.50%
18.	Laqshya Media Pvt. Ltd. - vs.-ACIT	TS-20-ITAT-2018(Bang)-TP	0.50%
19.	Jindal Steel Limited -vs.- ACIT	TS-1231-ITAT-2018(Delhi)TP	0.50%
20.	Aster Pvt. Ltd. -vs.- DCIT	TS-446-ITAT-2017(HYD)-TP	0.25%

37. We have heard the rival contentions and perused the relevant records placed before us and carefully gone through the decisions referred and relied upon by the Id.

counsel for the assessee. We note that the assessee-company had following inter-company guarantee arrangements for its Associated Enterprises:-

- (i) Providing a Corporate Guarantee to Standard Chartered Bank (SCB) for a term loan/letter of credit facility on behalf of Greenlam Asia Pacific Pte. Ltd. ("Greenlam Asia");
- (ii) Providing a Corporate Guarantee to United Overseas Bank (UOB) for a commercial property loan on behalf of Greenlam Asia; and
- (iii) Providing a standby Letter of Credit (SBLC) to City Bank N.A. for on behalf of Greenlam America Inc. ("Greenlam USA") and Greenlam Asia.

38. Inter-corporate guarantees are a common business practice. Within an affiliated corporate group, some entities represent higher credit risks than others. The weaker entities may either be unable to obtain financing or may be able to obtain credit facilities only upon unfavourable terms. When a corporate borrowing group includes multiple businesses, it is common for lenders to look to guarantees of corporate affiliates to support the credit facility. In the instant case, the corporate guarantee has been provided by the assessee on behalf of the Associated Enterprise and is in the nature of a downstream guarantee, where the guarantee is provided by the parent company for obligations of its subsidiary. So far as the issue that the present transaction of giving corporate guarantee falls under the category of international transaction, it is not under the dispute before us, as it was held against the assessee by the Id. CIT(Appels) and against the said view, the assessee has not filed any appeal or Cross Objection.

39. The only issue remains is the computation of quantum of Corporate Guarantee fee adjustment to be made in the hands of assessee. TransferPricing Officer levied the Corporate Guarantee fees @ 1.22%, 1.69% & 1.27% on the above referred three loans, which has been guaranteed by the assessee. For computing the Corporate Guarantee Fees, Id. TPO selected the comparables from USA, whereas Associated Enterprises are not operating in USA but are operating in Asia Pacific Region. Id. TPO failed to bring any comparable form to this region. Considering these facts and the non-availability of comparables in the Asia Pacific Region, the Id. CIT(Appels) observed as under:-

"5.3. I have carefully considered the matter. Assessee's contention regarding CG being beyond the pall of international transaction is not correct. Finance Act, 2014 had amended the provision of Section 92B with retrospective effect. Present position of law is that Corporate Guarantee is part of international transaction consequent to amendment introduced by Finance Act, 2014. Hence the objection has not basis.

5.3.1. Appellant's argument that the CG given by it to AE did not bring any benefit to AEs is fallacious. In this regards, it may be stated that the lending banks to AEs had insisted on guarantee from appellant. There will be definite benefit to AEs due to guarantee given by appellant. Without the guarantee the interest rate charged will be more only. This aspect of CG had been dealt with

by Hon'ble Mumbai Tribunal in the case of ACIT Vs. Nimbus Communications Ltd. (2014) 30 ITR 0349 (Mum). Para 9 of the said order is extracted as under:

"9. We have considered the rival submissions and also perused the relevant material available on record. For the guarantee given to the bank against the financial assistance given to its AEs, no commission was charged by the assessee company on the ground that the said AEs were not benefited by the guarantee so given and it was the assessee who benefited as a result of commercial benefits secured for future. In support of this stand of the assessee, the Id. counsel for the assessee has contended that business strategy should be taken into consideration while making any TP adjustments in respect of such transactions and has relied on the OECD Transfer Pricing Guidelines issued in 2010. As stated in para 1.59 of the said guidelines, the business strategies should also be examined in determining comparability for transfer pricing purposes and certain illustrations of such business strategies are also given therein. As stated in para 1.60 of the said guidelines which has been relied upon by the Id. Counsel for the assessee, business strategies also could include market penetration schemes and taxpayer seeking to penetrate a market or to increase its market share might temporarily charge a price for its product that is lower than the price charged for otherwise comparable products in the same market. As explained further, a tax payer seeking to enter a new market or expand (or defend) its market share might temporarily incur 4 ITA 6816/M/10 & 7105/Mum/2011 higher costs and hence achieve lower profit levels than other taxpayers operating in the same market. In our opinion, the relevant facts of the present case do not indicate that there was any such business strategy adopted by the assessee in not charging commission in respect of guarantees issued for its Associated Enterprises. As a matter of fact, there is nothing to suggest that any such business strategy was adopted by the assessee with specific intention or motive and the case has been sought to be made out merely on the basis of commercial expediency by claiming that the assessee was benefited as a result of giving the guarantees in the form of commercial benefits secured for future. In our opinion, such commercial expediency cannot be equated with business strategy, which is specific and well laid out. As rightly held by the Id. CIT(A), a financial loan guarantee is a commitment entered into by the assessee company with a third party lender of its Associated Enterprises which obliges the assessee company to cover the risk of default by its Associated Enterprise and this act thus involves performance or carrying out of service to cover the risk of default for which "price" has to be charged. Even the OECD Transfer Pricing Guidelines 2010 supports this view in para 7.13 where it is explained that where higher credit rating of Associated Enterprise is due to a guarantee by another group member, such association positively enhances the profit making potential of that Associated Enterprise. We, therefore, find ourselves in agreement with the contention of the Id. D.R. that there was a clear benefit accrued to the Associated Enterprises by the guarantee provided by the assessee

and when such benefit was passed on by the assessee to the said Associated Enterprises, guarantee commission should have been charged at arm's length price. The commercial relationship between the assessee and its Associated Enterprises is distinct and separate from the transactions of giving guarantee and such transactions have to be considered and examined independently in order to determine the arm's length price.

Respectfully following the decision of Hon'ble Tribunal as noted above, it is held that CG given by assessee has a cost and TP adjustment on the issue is required.

5.3.2 Next issue to be decided is the quantum of adjustment to be made in case of assessee. According to appellant, comparables selected by it were from areas not far from Singapore and having similar economic situations, whereas cases selected by TPO were from America where AEs were not operating. Had the case selected by appellant being considered, there would have been no requirement TP adjustment. Alternative argument was put forth stating that Arm's Length guarantee fee should not exceed 0.5%. Further alternative argument given was that the adjustment should not exceed the difference between interest determined by the TPO and the actual cost incurred by the subsidiaries. As noted earlier, in contrast to appellant's comparables drawn by Asia Pacific Region, the TPO had taken comparables from America. There, it is seen that comparables taken by assessee as well as TPO were not from Singapore. In view of non-availability of comparables from Singapore, it may be appropriate to delve into judicial pronouncements on rate of Guarantee fee for TP adjustment

i) In the case of Everest Kento Cylinder Ltd (Supra), assessee's AE availed loan from ICICI Bank for which assessee gave corporate guarantee. The loan was for working capital as well as capital expenditure. Assessee had charged guarantee commission @ 0.5%. The AO took external comparable and benchmarked the rate at 3%. Before the Hon'ble Tribunal, it was stated that assessee itself paid 0.6% to ICICI Bank for guaranteeing a separate loan for assessee. Hon'ble Tribunal took the view that 0.5% guarantee fee is reasonable in view of the fact that rate of interest paid by AE was much lower than interest paid by assessee itself. TP adjustment made by TPO was accordingly deleted. The rate of 0.5% was followed by Hon'ble Mumbai Tribunal in the case of Nimbus Communication (Supra). Series of decisions have been rendered by the different benches of Mumbai Tribunal wherein it is held that arm's length guarantee commission charge should be taken at 0.5%. Some of the cases decided are given below:

(i) Glenmark Pharmaceuticals Ltd. (ITA No. 5031/M/2013 dated 13.11.2013)

(ii) Godrej Household Products Ltd. (ITA Nos. 7369/M/2010)

(iii) Prolific Corporation Ltd. (ITA No. 237/Hyd/2014 dated 31.12.2014).

(iv) Manugraph India Ltd. vs. ACIT (TS-330-ITAT, 2013 (Mum)-TP) In view of substantial numbers of decisions of Hon'ble Tribunal in similar matter, CG fee should be benchmarked at 0.5% in the guarantee amount".

40. The above finding of the Id. CIT (Appeals) is duly supported by the settled judicial precedence and the Id. D.R. failed to bring before us any other binding precedence in favour of the revenue. Therefore, respectfully following the decision of the Coordinate Bench, Mumbai in the case of Everest Kento Cylinder Ltd. (supra), we confirm the view taken by the Id. CIT (Appeals), who has rightly held that the arm's length guarantee commission charge should be restricted at 0.5% of the guaranteed amount. Thus no interference is called for in the order of Id. CIT (Appeals) and the grounds no. 1 to 4 raised by the revenue on the issue of Corporate Guarantee Fees are dismissed."

3.2. Since the issue has been decided by the coordinate bench in assessee's own case, we therefore, respectfully following the decision of the co-ordinate bench, uphold the order of Id. CIT (A) by dismissing the ground no.1 to 4 of the Revenue's appeal.

4. The issue raised in ground no.5 to 7 is against the order of Id. CIT (A) holding the excise duty exemption is capital receipt as against the Id. AO's order, wherein the same was treated as revenue receipt.

4.1. The facts in brief are that during the year the assessee has availed excise duty of ₹87,81,58,550/- in terms of excise notification no.50/2023, dated 10.06.2023, in respect of manufacturing unit of the assessee which are eligible for 100% excise duty exemption in respect of goods manufactured for a period of ten years from the date of the commencement of the production. The assessee has two manufacturing unit (i) Rudrapur Plywood Unit (ii) Rudrapur MDF Unit. The date of commencement of productions were made on 6th and 13th March 2007 respectively. The assessee claimed exemption in respect of these units comprising ₹40,39,05,189/- for Rudrapur Plywood Unit and ₹47,42,53,361/- in respect of Rudrapur MDF Unit.

4.2. After hearing the rival contentions and perusing the materials available on record, we find that the issue is squarely covered by the

decision of the co-ordinate Bench in assessee's own case in ITA No.402/GTY/2019, for A.Y. 2015-16, vide order dated 19th December, 2022, which has also been confirmed by the Hon'ble High Court of Gauhati as reported in (2025) 172 taxmann.com 294 (Gauhati). The relevant finding of the court is extracted below:-

"30. *The Income Tax Appellate Tribunal, Guwahati Bench at Kolkata, on considering the said issue, had, in paragraph No. 10, after noticing the facts involved, formulated the question arising for its consideration in the appeal preferred by the assessee being ITA No. 232/GAU/2019, as under:*

"10. We have heard the rival contentions and perused the relevant material available on record. We note that the assessee runs two manufacturing units in the name of Rudrapur Plywood Unit and Rudrapur MDF Unit and both are covered by the Excise Notification No.50/2003 dated 10.06.2003. Both the units are located in backward areas and are eligible for 100% excise duty exemption in respect of goods manufactured and cleared from such units for a period of 10 years from the date of commencement of commercial production. The assessee has claimed the excise duty exemption from these two units at Rs.87,98,09,432/- which is in the nature of capital receipt not liable to be taxed. We also find that though the said amount is reflected in the Profit & Loss Account of the assessee and the amount being capital receipt has not been objected by the Id. CIT(Appeals) also, who has allowed deduction of the said amount vide his order dated 25.03.2019 under normal provisions of the Act, however, the order is silent on the exclusion of the said amount while computing the book profit under section 115JB of the Act, therefore, the issue is for our examination that "whether the excise duty exemption which is a capital receipt and not chargeable to tax under the normal provisions of the Act, is to be considered as a part of book profit for computing the book profit under section 115JB of the Act".

31. *The Income Tax Appellate Tribunal, Guwahati Bench at Kolkata, after considering the decisions applicable to the matter, relied upon by the assessee, as well as noticing the order passed by the Commissioner of Income Tax (Appeals), Dibrugarh, and the provisions of the Office Memorandum, dated 07.01.2003, issued by the Ministry of Commerce and Industry, Government of India, concluded as follows:*

"21. After going through the above referred judgments and decisions and on examining the facts of the instant case, we find that the excise duty exemption has been admittedly the capital receipt and the finding of the Id. CIT(Appeals) that the excise duty exemption is not liable to be taxed under the normal provisions of the Income Tax Act being not in dispute for us, the alleged capital receipt cannot be categorised as part of the book profit. In the case of assessee being covered by the excise duty notification, such sum collected on the goods manufactured and sold is in the nature of incentive subsidy given for establishing the units in backward areas and to generate employment

opportunities. The said fact is evident from the office memorandum dated 07.01.2003 of Ministry of Commerce and Industry, which reads as under:-

3.4 On perusal of the above, it can be seen that incentive in the form of Excise Duty Exemption has been given with an objective to achieve industrialization in the backward areas of Himachal Pradesh and Uttaranchal and to generate employment opportunities. The object of the assistance was not to enable the businessman to run the business more profitably but encourage a businessman to set up a new unit or expand the existing unit for overall economic development of the state. Hence, the incentives granted by the Government of India vide Office Memorandum No. 1(10)/2001-NER issued by DIPP, Ministry of Commerce and Industry, GOI dated 07-01-2003 read with Notification No. No.50/2003- CE dated 10-06-2003, will be treated as capital receipt and not liable to tax. In this regard, statement showing computation of excise duty exemption received during the year aggregating to Rs. 87,98,09,432/-alongwith copy of Excise Returns (in case of Rudrapur Unit 1) and copy of Form A (in case of Rudrapur Unit 2) has been enclosed (Refer Page No. 599-683 of Paper Book).

22. In the light of above decision as well as the Memorandum issued by the Ministry of Commerce & Industry, we find that the excise duty exemption is purely capital receipt and is neither chargeable to tax under the normal provisions of the Income Tax Act nor is to be included as part of the book profit for computing the minimum alternative tax as per the provisions of section 115JB of the Act. Thus Ground No. 2 raised by the assessee is allowed."

32. Dr. Saraf, learned senior counsel for the sole respondent, in this connection, has relied upon the decision of the High Court of Judicature of Bombay in the case of Commissioner of Income Tax-IV v. Harinagar Sugar Mills Ltd. [order, dated 04.01.2017, in Income Tax Appeal No. 1132/2014]. The High Court of Bombay, in the said decision, on consideration of a similar issue, proceeded to draw the following conclusions:

"(a) The issue raised in this question is consequential to question no.(i). We have already held that the subsidy received by the respondent-assessee from the State of Bihar was in the nature of capital receipt. Hence the same cannot be added to arrive at book profits of the respondent-assessee under Section 115J of the Act.

(b) However, it is pertinent to note that the question as proposed also seeks addition to book profits on account of excess depreciation along with subsidy received by the respondent-assessee. It is settled position in law as held by the Apex Court in Apollo Tyres Ltd. v/s. CIT 122 Taxman 562/255 ITR 273 (SC) that the Assessing Officer while computing the book profit under Section 115J of the Act has only a power to examine whether the books of account have been maintained in accordance with the provisions of the Companies Act and have been duly audited. The book profits as reflected in the duly audited account have to be accepted by the Assessing Officer and the only limited power he has to increase/ decrease the book profit as arrived at by the assessee is only in terms of the Explanation to Section 115J of the Act.In

addition to the criteria listed in ITB 35.2 (a) (d), the following criteria shall apply.

In the present case, the Revenue is not invoking the explanation to Section 115J of the Act to vary the book profit declared in the audited accounts of the respondent-assessee. Thus, the question as proposed herein does not give rise to any substantial question of law as it also stands concluded against the Revenue by the decision of the Apex Court in Apollo Tyres Ltd. (supra)."

33. *It is to be noted that the present issue is also consequential to the substantial question of law No. 1, framed by this Court, vide order, dated 09.06.2023.*

34. *We having already concluded that the excise duty exemption availed by the assessee being in the nature of a capital receipt in the hands of the assessee; we are also in respectful agreement with the decision of the High Court of Bombay that the same also cannot be added to arrive at the book profit of the assessee under the provisions of Section 115-JB of the Income Tax Act, 1961.*

35. *In view of the conclusions reached by us with regard to the substantial question of law No. 1, we are of the considered view that the substantial question of law No. 2 being a consequential one; the excise duty exemption being purely a capital receipt, not chargeable to tax under the normal provisions of the Income Tax Act, 1961, it would also not be permissible to reckon the same for computation of book profit under the provisions of Section 115-JB of the Act of 1961.*

36. *Accordingly, the decision of the Income Tax Appellate Tribunal, Guwahati Bench at Kolkata, with regard to the Ground No. 2 raised before it by the assessee, would not call for any interference.*

37. *In view of the above; the substantial question of law No. 2 is answered in negative against the Revenue Department and in affirmative, in favour of the assessee, herein."*

4.3. We, therefore, respectfully following the decision of the jurisdictional High Court in assessee own case as extracted above, uphold the order of Id. CIT (A) by dismissing the ground nos. 5 to 7 of Revenue's appeal.

4.4. In the result, the appeal of the Revenue is dismissed.

Order pronounced in the open court on 15.12.2025.

Sd/-
(MANOMOHAN DAS)
(JUDICIAL MEMBER)

Sd/-
(RAJESH KUMAR)
(ACCOUNTANT MEMBER)

Kolkata, Dated: 15.12.2025

Sudip Sarkar, Sr.PS



Copy of the Order forwarded to:

1. The Appellant
2. The Respondent
3. CIT
4. DR, ITAT,
5. Guard file.

BY ORDER,

True Copy//

Sr. Private Secretary/ Asst. Registrar
Income Tax Appellate Tribunal, Guwahati