

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "B": NEW DELHI
BEFORE SHRI C. N. PRASAD, JUDICIAL MEMBER
AND
SHRI M. BALAGANESH, ACCOUNTANT MEMBER**

ITA No. 5337/Del/2024
(Assessment Year: 2017-18)

ITO, Circle-25(2), Delhi	Vs.	Tractebel Engineering Pvt Ltd., Intec House 37, Sector-44, Institutional Area, Gurugram, Haryana
(Appellant)		(Respondent)
		PAN: AABCT1757B

Assessee by :	Shri Anup Mehta, CA Shri Nirbhay Mehta, Adv
Revenue by:	Shri Rajesh Kumar Dhanesta, SR. DR
Date of Hearing	03/12/2025
Date of pronouncement	09/01/2026

O R D E R

PER M. BALAGANESH, A. M.:

1. The appeal in ITA No.5337/Del/2024 for AY 2017-18, arises out of the order of the Id National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'Id. NFAC', in short] in Appeal No. ITBA/NFAC/S/250/2024-25/1070330312(1) dated 13.11.2024 against the order of assessment passed u/s 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') dated 31.12.2019 by the Assessing Officer, ITO, Ward-25(2), Delhi (hereinafter referred to as 'Id. AO').

2. The only issue to be decided in this appeal is as to whether the Learned CITA was justified in deleting the addition made under section 68 of the Act in the sum of Rs 5,55,57,145/- on account of advances received from customers in the facts and circumstances of the instant case.

3. We have heard the rival submissions and perused the materials available on record. The assessee company was primarily engaged in business of providing comprehensive services in power, oil, gas and infrastructures including but not limited to design, engineering, architectural and construction sectors. The assessee company had reflected advances received from customers amounting to Rs. 5,55,57,145/- in the balance sheet as on 31-03-2017. The assessee was directed to give the details of the name, address, PAN and confirmation of the parties who had made those advances. Before the Learned AO, no details were furnished which prompted the Learned AO to make an addition of Rs. 5,55,57,145 as unsubstantiated credit under section 68 of the Act.

4. Before the Learned CIT(A), the assessee furnished the complete details as called for by the Learned AO in the assessment proceedings in the form of additional evidences and those additional evidences were duly admitted by the Learned CIT(A) and a remand report was sought from the Learned AO. In the remand report, only the Learned AO merely objected to the admission of additional evidences and did not give any adverse inference on the documentary evidences submitted by the assessee explaining the nature and source of credit in the form of advance from customers amounting to Rs. 5,55,57,145. The assessee also filed a rejoinder to the remand report submitted by the Learned AO. The Learned CIT(A) noticed that assessee had an opening balance of advance from customers of Rs. 9,75,69,800 as on 1-4-2016 and the same had come down to Rs. 5,55,57,145 as on 31-3-2017. These figures represent advance received from customers for which services are to be provided by the assessee, which stood provided in subsequent assessment years and income has been offered accordingly. The assessee furnished the

complete documentary evidences in support of the same. The Learned CIT(A) on due appreciation of the documentary evidences observed that there is no reason to draw an adverse inference on the nature and source of credit in the form of advance from customers as SSE had proved the same to be genuine by way of proper documentary evidences and deleted the addition. Further, the Learned CIT(A) also noted that no adverse inference was drawn by the Learned AO in the remand report for the same. We do not find any infirmity in the said order of the Learned CIT(A) granting relief to the assessee in these facts and circumstances of the case. Accordingly, the Ground No. 1 raised by the revenue is dismissed.

5. The Ground No.2 raised by the revenue is general in nature and does not require any specific adjudication.

6. In the result, the appeal of the revenue is dismissed.

Order pronounced in the open court on 09/01/2026.

-Sd/-
(C. N. PRASAD)
JUDICIAL MEMBER

-Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Dated: 09/01/2026
A K Keot

Copy forwarded to

1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi