

**IN THE INCOME TAX APPELLATE TRIBUNAL "C" BENCH, KOLKATA**  
**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER**  
**AND**  
**SHRI RAJESH KUMAR, ACCOUNTANT MEMBER**  
आयकर अपील सं/ITA No.2168/KOL/2025  
(निर्धारण वर्ष / Assessment Year : 2017-2018)

<b>The Orissa Minerals Development Company Ltd.,</b> Plot No.271, Bidyut Marg, Shastri Nagar, Unit-IV, Bhubaneswar-751001	Vs	<b>ACIT, Circle-5(1), Kolkata</b>
<b>PAN No. :AABCT 8879 J</b>		
(अपीलार्थी /Appellant)	..	(प्रत्यर्थी / Respondent)
निर्धारिती की ओर से /Assessee by	:	Shri S.Bhattacharya, CA
राजस्व की ओर से /Revenue by	:	Shri Praveen Kishore, CIT-DR
सुनवाई की तारीख / <b>Date of Hearing</b>	:	28/01/2026
घोषणा की तारीख/ <b>Date of Pronouncement</b>	:	28/01/2026

**आदेश / O R D E R**

**Per Rajesh Kumar, AM:**

This is an appeal filed by the assessee against the order dated 29.08.2025, passed by the Id. CIT(A), National Faceless Appeal Centre (NFAC), Delhi, for the assessment year 2017-2018.

2. It was submitted by the Ld.AR that two additions are challenged in this appeal. The first one is in respect of an amount of Rs.250.59 lakhs being a provision made in the financial year 2016-17 relevant to the assessment year 2017-18 in respect of amount to due to be paid to M/s Balbir Sharma. The second is an amount of Rs.18.38 lakhs being an arbitration award liable to be paid to Jai Balaji Industries Limited. It was submission that the amount of Rs.250.59 lakhs had been paid to M/s. Balbir Sharma during the financial year 2018-19 relevant to the assessment year 2019-20. It was the submission that during the audit for the financial year 2015-16 the CAG had remarked that provision for Rs.250.59 lakhs due to

be paid to M/s. Balbir Sharma had not been provided for and consequently the provision was made for the financial year 2016-17 relevant to the assessment year 2017-18. It was submission that in respect of the arbitration award payable to the Jai Balaji Industries Limited, the issue was still pending before the Hon'ble Jurisdictional High Court. It was submission that the both the amounts are ascertained liabilities and same are liable to be allowed.

3. In reply, the Ld.CIT DR submitted that he has no objection if the direction be given that the amounts are to be allowed in the year of payment.

4. We have considered the rival submissions. A perusal of the facts in the present case clearly shows that the provision in respect of the amount due to M/s. Balbir Sharma has been made on account of remark by the AO during the audit for the financial year 2015-16. The amount has been paid during the financial year 2018-19 relevant to the assessment year 2019-20. In respect of the arbitration award payable to the Jai Balaji Industries Limited the amount of Rs.18.38 lakhs is still not paid insofar as the issue is pending before the Jurisdictional High Court. Thus, it cannot be said that both the provisions are unascertained. This being so, it is directed that the said amounts are liable to be allowed in the year in which the payments have been made . It was mentioned by the Id. AR on behalf of the assessee that the assessment for the assessment year 2019-20 is not opened. It is directed to AO that the necessary allowance shall be made during the year of payment subject to the assessee providing proof of payment.

5. In the result, the appeal of the assessee is partly allowed.

Order dictated and pronounced in the open court on 28/01/2026.

Sd/-  
**(GEORGE MATHAN)**

न्यायिक सदस्य / JUDICIAL MEMBER

Sd/- -  
**(RAJESH KUMAR)**

लेखा सदस्य/ ACCOUNTANT MEMBER

**कोलकाता** Kolkata; दिनांक Dated 28/01/2026

*Prakash Kumar Mishra, Sr.P.S.*

**आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant-
2. प्रत्यर्थी / The Respondent-
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, **कोलकाता** / DR,  
ITAT, Kolkata
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/ BY ORDER,

(Assistant Registrar)

Income Tax Appellate Tribunal, Kolkata