

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

**BEFORE SHRI ANUBHAV SHARMA, JUDICIAL MEMBER**

**AND**

**SHRI KRINWANT SAHAY, ACCOUNTANT MEMBER**

**ITA No.1061/Del/2023  
[Assessment Year: 2018-19]**

Triveni Turbine Limited, 8 <sup>th</sup> Floor, Express Tade Towers Plot No.15-16, Sector-16A, Gautam Budha Nagar, Noida, Uttar Pradesh-201301	<b>Vs.</b>	Assistant Commissioner of Income Tax, Circle-5(3)(1), Aayakar Bhawan, Secor-21, Noida Dist. Gautam Budh Nagar, Uttar Pradesh-201301
<b>PAN :AAACT4550H</b>		
<b>(Appellant )</b>		<b>(Respondent)</b>

Appellant by	Shri Rohit Jain, Adv. & Ms. Somya Jain, CA
Respondent by	Shri Om Prakash, Sr. DR

<b>Date of Hearing</b>	<b>18.11.2026</b>
<b>Date of Pronouncement</b>	<b>16.02.2026</b>

**ORDER**

**PER KRINWANT SAHAY, AM:**

This appeal by assessee is arising out of the order of National Faceless Appeal Centre/ld. Commissioner of Income Tax (Appeals), New Delhi, dated 20.02.2023 against the assessment order dated 16.04.2021 passed under section 143(3) of the Income Tax Act, 1961 (hereinafter 'the Act') pertaining to Assessment Year 2018-19.

2. Grounds of appeal raised by the assessee are as under:-

**Violation of principles of natural justice**

1. That on the facts and circumstances of the case and in law, the impugned order dated 20.02.2023 passed by the Commissioner of Income Tax (Appeals), National Faceless Appeals Centre [CIT(A)] is erroneous and bad-in-law.

1.1. That on the facts and circumstances of the case, the CIT(A) erred in passing the impugned order without granting personal hearing (either physically or virtually) to the appellant which is in gross violation of principles of natural justice.

1.2. That the CIT(A) erred in not appreciating that the assessing officer erred in passing the assessment order dated 16.04.2021 without providing the appellant with (a) reasonable time to respond to the show cause notice; and (b) an opportunity of personal hearing, either physical or through video conferencing, which is in violation of mandatory scheme of section 144B of the Act and in gross violation of principles of natural justice and hence the assessment order deserved to be quashed.

**Re: Disallowance of donation under section 80G of the Act**

2. That on the facts and circumstances of the case and in law, the CIT(A) erred in confirming the disallowance of deduction of Rs.95,79,405 claimed by the appellant under section 80G of the Income Tax Act, 1961 (\*the Act'), being 50% or 100%, as applicable, of the eligible amount of donations made during the relevant previous year.

2.1. That the CIT(A) erred in confirming the disallowance of the said deduction on the ground that the underlying expenditure was not in the nature of donation, rather the same represented mandatory contribution towards Corporate Social Responsibility ("CSR") as specified under the Companies Act, 2013.

2.2. That the CIT(A)/ assessing officer erred on facts and in law in extending the scope of funds, referred in clauses (iihk) and (iihl) of section 80G(2)(a), which specifically exclude donation in the form of CR expenditure, to other funds as approved under section 80G(2)(a) of the Act, which deliberately do not contain such exclusion provisions for CSR expenditure.

**Re: Disallowance of deduction claimed under section 35(2AA) of the Act**

3. That on the facts and circumstances of the case and in law, the CIT(A) erred in not deleting the disallowance of weighted deduction of Rs.10,50,000 claimed by the appellant under section 35(2AA) of the Act, being the amount paid to IIT, Bombay during the year under consideration.

*3.1. That the CIT(A) erred in confirming the disallowance of the said deduction on the ground that the underlying expenditure represented mandatory contribution towards CSR as specified under the Companies Act, 2013 and was not allowable as deduction.*

**Re: Others**

*4. That the CIT(A)/ assessing officer erred in levying/ charging interest under section 234A of the Act.*

3. During the proceedings before us, the Id. Counsel for the assessee submitted that the appeal on the ground no.1.1 and 1.2 are not pressed. Hence, same are dismissed as not pressed.

4. Regarding ground of appeal no.2 and 3, the Id. Counsel for the assessee has filed a brief written submission, which is reproduced as under:-

**Re: GOA No. 2 to 2.2- Disallowance of donation under section 80G of the Act**

**[CIT(A) Order - Para 8 to 8.3.12, Page 33-47; AO Order - Para 4 to 4.9, Page 2-13]**

- 1. During the year under consideration, the appellant had incurred expenditure aggregating to Rs.3,09,22,709 towards Corporate Social Responsibility ('CSR') activities in terms of Section 135 of the Companies Act, 2013. The aforesaid expenditure was duly disallowed in terms of section 37(1) of the Act while computing the taxable income for the year under consideration.*
  
- 2. Out of the aforesaid, the appellant claimed deduction aggregating to Rs.95,79,405 under section 80G of the Act in respect of the donations made to the following entities duly registered under sub-section (5) of the aforesaid section, as part of its CSR expenditure (copy of donations receipts enclosed at **pages 52-75 of PB**):*

<b>S.No.</b>	<b>Name of Party</b>	<b>Amount Spent (in Rs.)</b>	<b>% of Qualifying Amount</b>	<b>Amount of Deduction (in Rs.)</b>
1.	HSP Aruna Chetena	14,39,310	50%	7,19,655
2.	Indian Institute of Science, Bangalore	30,00,000	100%	30,00,000
3.	Compassion Unlimited Plus Action (CUPA)	5,00,000	50%	2,50,000
4.	Dharithree Trust	12,70,000	50%	6,35,000
5.	Tirth Ram Shah Charitable Trust	99,49,500	50%	49,74,750
<b>Total</b>		<b>1,61,58,810</b>		<b>95,76,405</b>

3. The assessing officer and CIT(A) disallowed the deduction claimed by the appellant holding that donations forming part of CSR expenditure is not allowable as deduction under section 80G of the Act.

4. In this regard, it is respectfully submitted that the aforesaid issue is no longer re-integra and it has been held by various Benches of the Hon'ble Tribunal in the following cases that the donations made as part of CSR expenditure under the Companies Act 2013 are eligible for deduction in terms of provisions of section 80G of the Act:

- **InterGlobe Technology Quotient Pvt Ltd vs. ACIT: 207 ITD 360 (Del Trib.) (refer Para 7 to 7.5) (refer pages 1-9 of CLPB)**
- *Ericsson India Global Services (P.) Ltd. vs. DCIT: 160 taxmann.com 599 (Del Trib.) (refer pages 10-13 of CLPB)*
- *Cheil India (P.) Ltd vs. DCIT: 169 taxmann.com 507 (Del. Trib.) (refer pages 14-18 of CLPB)*
- *InterGlobe Enterprises Pvt Ltd vs. ACIT: ITA 3941/Del/2023 (Del Trib.) (refer pages 19-22 of CLPB)*
- *Honda Motorcycle and Scooter India Pvt Ltd vs ACIT: ITA No.1523/Del/2022 (Del Trib.) (refer pages 23-27 of CLPB)*

- *Teradata India Pvt Ltd vs. DCIT: ITA 1248/Del/2022 (Del Trib.) (refer pages 28-32 of CLPB)*
  - *ION Trading India P. Ltd vs. ACIT: 2055/Del/2022 (Del Trib.)*
  - *Agilent Technologies (International) Pvt Ltd vs. ACIT: ITA 1171/Del/2022 (Del Trib.)*
  - *Cosmo First Ltd vs. ITO, NaFAC: ITA 4176/Del/2024 (Del Trib.)*
  - *American Express (India) Pvt Ltd vs. PCIT: 208 ITD 564 (Del Trib.)*
  - *Allegis services (India) Pvt Ltd vs ACIT Bangalore: ITA No.1693/Bang/2019 (Bang Trib.)*
  - *FNF India Private Limited vs ACIT: 133 taxmann.com 251 (Bang Trib.)*
  - *Infinera India (P.) Ltd vs. JCIT: 194 ITD 463 (Bang Trib.)*
  - *Goldman Sachs Services Pvt Ltd vs JCIT: ITA No.2355/Bang/2019 (Bang Trib.)*
  - *JMS Mining (P.) Ltd vs PCIT: 130 taxmann.com 118 (Kol Trib.)*
  - *DCIT vs. Peerless General Finance & Investment Co Ltd: 112 taxmann.com 410 (Kol Trib.)*
  - *Power Mech Projects Ltd vs DCIT: ITA No.155/Hyd/2023 (Hyd Trib.)*
  - *Supreme Buildstates Pvt Ltd vs DCIT: ITA No.495/Jpr/2023 (Jpr Trib.)*
  - *Naik Seafoods Pvt Ltd vs. PCIT: ITA 490/Mum/2021 (Mum Trib.)*
5. *In view of the aforesaid, the disallowance of Rs.95,79,405 made by the lower authorities calls for being deleted.*

**Re: GOA No. 3 to 3.1- Disallowance of donation under section 35(2AA) of the Act**

**[CIT(A) Order - Para 8 to 8.3.12, Page 33-47; AO Order - Para 5 to 5.2, Page 13-15]**

6. During the year under consideration, the appellant had made contribution of Rs.7,00,000 to Indian Institute of Technology, Bombay ('IIT Bombay') for promotion of education/ academic pursuit and scientific research, as part of fulfillment of its CSR commitments. A copy of the agreement entered into between the appellant and IIT Bombay for undertaking scientific research is enclosed at **pages 110-112 of PB**. Considering that the contribution made to IIT Bombay was towards scientific research, the same qualified for deduction in terms of section 35(2AA) of the Act.
7. The assessing officer/ CIT(A) however, simply following the rationale for making disallowance of donations under section 80G in GOA 2 supra, disallowed the deduction claimed by the appellant holding that expenditure forming part of CSR expenditure is not allowable as deduction under the section 35(2AA) of the Act.
8. In this regard, it is respectfully submitted that while introducing Explanation 2 to section 37(1), the Memorandum to the Finance (No.2) Bill, 2014 specifically clarified that that CSR expenses which fall for consideration under sections 30 to 36 of the Act are allowable as deduction. Relevant extract of the Memorandum is reproduced as under (refer **pages 77-78 of PB**):

*“The existing provisions of section 37(1) of the Act provide that deduction for any expenditure, which is not mentioned specifically in section 30 to section 36 of the Act, shall be allowed if the same is incurred wholly and exclusively for the purposes of carrying on business or profession. As the CSR expenditure (being an application of income) is not incurred for the purposes of carrying on business, such expenditures cannot be allowed under the existing provisions of section 37 of the Income-tax Act. Therefore, in order to provide certainty on this issue, it is proposed to clarify that for the purposes of section 37(1) any expenditure incurred by an assessee on the activities relating to corporate social responsibility referred to in section 135 of the Companies Act, 2013 shall not be deemed to have been incurred for the purpose of business and hence shall not be allowed as deduction under section 37. **However, the CSR expenditure which is of the nature described in section 30 to section***

**36 of the Act shall be allowed deduction under those sections subject to fulfillment of conditions, if any, specified therein.** (emphasis supplied)

9. It will thus be appreciated that as long as the contribution made to IIT Bombay satisfies the conditions prescribed under section 35(2AA) of the Act, the deduction cannot be denied simply for the reason that the contribution forms part of CSR obligation of the appellant.
10. The provisions of section 35(2AA) of the Act provides that where any sum is paid to an IIT with a specific direction that the sum shall be used for scientific research undertaken under a programme approved by the prescribed authority, such assessee shall be eligible to claim deduction of sum equal to one and one-half times of the contribution made.
11. In the stated facts, the aforesaid conditions stand satisfied inasmuch as (a) contribution to IIT Bombay is eligible in terms of section 35(2AA) of the Act; and (b) the funds contributed by the appellant have been agreed to be utilized towards scientific research by IIT Bombay (refer **clause 3 of Agreement @ page 110 of PB**).
12. In view of the aforesaid, the disallowance made by the assessing officer/ CIT(A) calls for being deleted.
5. Per Contra, the Id. DR also submitted a written submission and argued the case on the line of the submission here filed before the Bench. For more clarity, the submissions filed by the Revenue are also reproduced as under:-

**Sub: Written Submission cum Chart of Issues by Sr. DR in the above case- reg.**

**Issue in brief as per AO:**

**1. Examination of CSR Expenditure and Claim under Section 80G [Page 2, Para 4.1] [Page 7, Para 4.3]:** The AO analyzed the statutory framework and precedents cited by the assessee and found the following:

\* Section 80G provides deduction only for voluntary donations, whereas CR expenditure is a mandatory statutory obligation under Section 135 of the Companies Act, 2013.

\* The denial of deduction for Swachh Bharat Kosh and Clean Ganga Fund under Section 80G indicates a broader legislative intent not to allow CR expenses as deductions under Section 80G.

\* Allowing such a deduction would effectively subsidize a statutory obligation, which contradicts the intent behind CSR laws.

\* The judicial precedents cited by the assessee, including cases like Goldman Sachs Services Pvt.

Ltd. v. JCIT (Bangalore ITAT) and First American (India) Pvt. Ltd. v. ACIT (Bangalore ITAT), were not applicable as they were remanded for fresh adjudication and had not attained finality.

Based on the above observations, the AO concluded that CR expenditure, being mandatory in nature, does not qualify as a donation under Section 80G. Consequently, the claim for deduction under Section 80G amounting to 295,79,405 was disallowed in full.

**Adjudication by CIT[A] on Ground No.2:**

**1. Examination of the Assessee's Claim for Deduction under Section 80G:** The assessee challenged the disallowance of the deduction under Section 80G in respect of amounts paid as donations under its Corporate Social Responsibility (CR) obligation, as well as the disallowance under Section 35(2AA) for expenses incurred under CSR.

**2. Legal Interpretation of CR Expenditure and Disallowance under Section 37(1) [Page 42, Para 8.2]:** The Ld. CIT(A) noted that CSR expenditure is a mandatory statutory obligation under Section 135 of the Companies Act, 2013 and cannot be considered as business expenditure under Section 37(1) of the Income Tax Act, 1961. This position is

explicitly clarified in Explanation 2 to Section 37(1) and reinforced by the Finance Act, 2014.

**3. Nature of Donations under Section 80G (Page 44, Para 8.3.2, 8.3.3):**

*\* Voluntariness as an Essential Element of Donation: The Ld. CIT(A) analyzed the meaning of "donation" and held that a donation must be voluntary and without any legal compulsion. CR expenses, being a statutory mandate, lack the essential characteristic of a voluntary donation.*

*\* Mandatory Nature of CR Spending: Section 135(5) of the Companies Act, 2013, states that companies "shall ensure" spending on SR activities, which establishes a compulsory obligation rather than a voluntary act of charity.*

**4. Legislative Intent and Interpretation of Section 80G/Page 45):** The Ld. CIT(A) emphasized the legislative intent behind CR laws and tax deductions:

*\* Prevention of Dual Benefits: Allowing deductions under Section 80G for CR expenses would effectively subsidize corporate obligations and shift the burden to the government through reduced tax collection.*

*\* Legislative Clarity on CR-related Deductions: The Finance Act, 2015 explicitly restricted deductions under Section 80G for CSR contributions by introducing the phrase "other than the sum spent in pursuance of CSR under Section 135(5) of the Companies Act, 2013."*

*\* Only expenses under Sections 30 to 36 of the Income Tax Act, 1961, are eligible for deduction if they qualify as CSR expenses.*

**5. Analysis of Judicial Precedents Cited by the Assessee (Page 46, Para 8.3.10):** The assessee relied on various ITAT rulings, including: First American (India) Pvt. Ltd. [2019], Allegis Services (India) Pvt. Ltd. [2019], Goldman Sachs Services Pvt. Ltd. [2019]. However, CIT(A) noted that these cases were remanded back to the Assessing Officer (AO) and did not establish a binding legal precedent supporting the appellant's claim.

The Ld. CIT(A) upheld the AO's decision and ruled that CR expenditure cannot be classified as a "donation" under

*Section 80G due to its non-voluntary nature and is specifically disallowed under Explanation 2 to Section 37(I) and does not qualify for deductions except under Sections 30 to 36 of the Act. Allowing such deductions would contravene the intent of CR legislation and create an undue tax advantage for corporations.*

*Accordingly, the appeal was dismissed, and the disallowance of the deduction under Section 80G was confirmed.*

**DR's Contentions for Ground No. 2:**

**1. CSR Expenditure is a Statutory Obligation and Not a Voluntary Donation:** *The assessee's claim for deduction under Section 80G on CSR expenses is legally untenable, as CR spending is a mandatory statutory obligation under Section 135 of the Companies Act, 2013. The nature of a "donation" requires it to be voluntary and gratuitous, whereas CR spending is compulsory and mandated by law.*

*\* The expression "shall ensure" in Section 135(5) of the Companies Act, 2013, establishes an absolute obligation on companies to spend a prescribed percentage of their profits on CR*

*\* A payment made under legal compulsion cannot be classified as a donation, which inherently requires voluntary intent.*

*\* The AO correctly disallowed the deduction under Section 80G, as CSR expenditure does not qualify as a donation within the meaning of the Income Tax Act, 1961.*

**2. Express Legislative Prohibition Under Explanation 2 to Section 37(1):**

*\* Explanation 2 to Section 37(1) of the Income Tax Act, 1961, explicitly disallows CR expenditure as a business expense, stating that: "Any expenditure incurred by an assessee on the activities relating to corporate social responsibility referred to in Section 135 of the Companies Act, 2013, shall not be deemed to be an expenditure incurred for the purposes of business or profession."*

*\* The assessee, in an attempt to circumvent this disallowance, has wrongly recharacterized CSR expenses as donations.*

*\* What is expressly disallowed under Section 37(1) cannot be claimed under another provision, such as Section 80G, by*

merely giving a different nomenclature to the same expenditure.

### **3. Restriction on CR Deductions in Finance Act, 2015:**

\* The Finance Act, 2015, further clarified that only CR expenses that qualify under Sections 30 to 36 of the Income Tax Act, 1961, are allowable as deductions.

\* The Finance Act categorically excluded CS-related deductions under Section 80G by introducing the phrase "other than the sum spent by the assessee in pursuance of Corporate Social Responsibility under Section 135(5) of the Companies Act, 2013."

\* The legislative intent was to ensure that corporates do not use tax deductions to subsidize their CSR obligations, which are meant to be an additional contribution to society and not a tax-saving tool.

### **4. Claim of Deduction Under Section 80G Defeats the Purpose of CR Legislation:**

\* The primary objective of CR laws is to make corporates contribute directly to social welfare, rather than allowing them to offset such expenditures through tax deductions.

\* If the assessee's argument is accepted, it would defeat the intent of CR provisions, as companies would then strategically direct their CR spending only towards entities eligible for deduction under Section 80G, thereby reducing their effective CR contribution.

\* The government would effectively bear the burden of CR spending, which contradicts the fundamental rationale of introducing CR laws.

### **5. Inconsistency in Accounting Treatment by the Assessee:**

\* The assessee classified the expenditure as CR in its books of accounts, yet, for tax purposes, sought to treat the same as a "donation" under Section 80G.

\* This dual treatment is legally impermissible and represents an attempt to manipulate the tax provisions to unjustly claim deductions.

*\* If the expenditure were a genuine donation, it should have been accounted for under "Donations" rather than "Corporate Social Responsibility."*

*\* The AO and CIT(A) correctly rejected this artificial classification, as accounting treatment cannot override statutory provisions.*

**Ground No. 3:***That on the facts and circumstances of the case and in law, the CIT(A) erred in not deleting the disallowance of weighted deduction of Rs.10,50,000 claimed by the appellant under section 35(2AA) of the Act, being the amount paid to IT, Bombay during the year under consideration.*

**3.1** *That the CIT(A) erred in confirming the disallowance of the said deduction on the ground that the underlying expenditure represented mandatory contribution towards CR as specified under the Companies Act, 2013 and was not allowable as deduction.*

**Issues involved in Ground No. 3:** *Whether the assessee is entitled to claim deductions under Sections 80G and 35(2AA) for CR expenditure, despite the explicit prohibition under Explanation 2 to Section 37(1) and the legislative intent to disallow CSR-related tax benefits.*

**Issue in brief as per AO:**

**1. Disallowance of Deduction Under Section 35(2AA)[Page 13, Para 5.1]:** *The assessee claimed a weighted deduction of R10,50,000 under Section 35(2AA) of the Income Tax Act, 1961, in respect of an amount paid to IT Bombay as part of its Corporate Social Responsibility (CSR) obligation. The AO noted that 27,00,000 out of this amount was specifically classified as CR expenditure under the Companies Act, 2013.*

**2. Statutory Mandate of CSR Expenditure [Page 13]:** *The AO held that CR expenditure is a mandatory obligation under Section 135 of the Companies Act, 2013, and does not constitute voluntary business expenditure. In support of this, the AO referred to Explanation 2 to Section 37(1) of the Income Tax Act, which explicitly disallows CR expenses as deductible business expenditure.*

**3. Legislative Intent and Clarifications by CBDT [Page 14, Para 5.1]:** *The AO considered the assessee's argument*

that the Explanatory Memorandum to the Finance Bill and CBDT clarifications allow CR expenditure if it qualifies under Sections 30 to 36 of the Act. However, the AO found that CSR-related contributions do not fall within the purview of Section 35(2AA), which specifically allows deductions for research contributions made voluntarily to approved institutions.

Given the mandatory nature of CR expenditure and its explicit disallowance under Explanation 2 to Section 37(1), the AO disallowed the deduction of 210,50,000 claimed under Section 35(2AA) and added the amount back to the assessee's total taxable income.

**Adjudication by CIT[A] on Ground No.3: Covered in Ground of Appeal No. 2**

**DR's Contentions for Ground No. 3:**

1. CSR Expenditure Does Not Qualify for Deduction Under Section 35(2AA):

\* Section 35(2AA) of the Act allows a weighted deduction on contributions made to scientific research institutions, provided such contributions are made voluntarily and with the intent of furthering research.

\* In the present case, the contribution made to IT Bombay was part of the company's statutory CR obligation under Section 135 of the Companies Act and was not a voluntary research

\* The Finance Act, 2015, clarified that CR-related expenses are deductible only if they fall within the ambit of Sections 30 to 36 of the Act, which does not include Section 35(2AA) unless such expenses are specifically incurred for research and not as part of CR obligations.

\* The AO has correctly observed that the assessee's claim under Section 35(2AA) is an attempt to circumvent the disallowance under Explanation 2 to Section 37(1) and that such an artificial reclassification cannot be permitted in law.

**2. Legislative Intent and Policy Considerations:**

\* The entire legislative framework surrounding CR obligations, tax deductions, and business expenditure makes it abundantly clear that CSR is not intended to be subsidized by the government through tax incentives.

*\* The introduction of specific exclusions in Section 80G and the Finance Act, 2015, further reinforces that only voluntary contributions, and not CR-mandated expenses, are eligible for deduction.*

*\* Allowing CR deductions under Sections 80G or 35(2AA) would lead to unintended consequences where corporates would fulfill their statutory obligation at the cost of public revenue, which is not the objective of the CSR legislation.*

**Ground No. 4 is consequential in nature and does not require substantive arguments at this stage of the case.**

*In view of the foregoing submissions, it is most humbly and respectfully prayed that this Hon'ble Tribunal may be pleased to:*

*a) Dismiss the appeal of the assessee and uphold the order of the CIT(A) confirming the disallowance made by the AO under Sections 80G and 35(2AA):*

*b) Hold that CSR expenses, being statutory obligations, are not eligible for deduction either as business expenditure under Section 37(1) or as donations under Section 80G;*

*c) Pass any other order or relief in favor of the Revenue as may be deemed fit and proper in the interest of justice.*

6. We have considered the findings given by the Assessing Officer in the assessment order and ld. CIT(A) in the appellate order. We have also considered the written submissions and brief synopsis filed by the assessee as well as by the Revenue. In our view, the only issue involved in this case is whether CSR expenditure is eligible for deduction or not. After going through all the arguments and submissions filed, we are of considered view that CST Contribution is fixed percentage of expenditure out of net profit of CSR eligible

companies. In case, CSR expenditure is taken within the ambit of section 80G, where 50% deduction is allowable then in fact the real CSR expenditure will remain only 50% of the amount which otherwise the company is supposed to spend. We are of this view that this is neither the intent of legislature nor it is justified. Accordingly, assessee's appeal on this issue keeping in view a number of case laws discussed above is dismissed.

7. Appeal on ground no.3 is Companies claim of deduction under section 35(2AA) for contribution made to IIT, Bombay. Here also, we find that the deduction under section 35(2AA) is allowable only when the company makes contribution towards scientific research institution voluntarily with the intent of furthering research. But in the present case, the company has given contribution to IIT, Bombay, from the amount intended to be spend on CSR contribution and on need it has claimed weighted deduction on such contribution under section 35(2AA). We are of this view had the assessee company spent/or given contribution to IIT, Bombay for scientific research from its net profit and not from the CSR fund. In that case, the company would have qualified for claiming weighted deduction under section 35(2AA). But as the company has spent this amount by giving contribution to IIT Bombay from its CSR fund and claimed expenditure under section 35(2AA) which in our view is not justified. Accordingly, assessee's appeal of claiming weighted deduction under

section 35(2AA) for giving contribution to IIT Bombay from its CSR fund is dismissed.

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

Order pronounced in the open court on 16<sup>th</sup> February, 2026.

**Sd/-**  
**[ANUBHAV SHARMA]**  
**JUDICIAL MEMBER**  
**Dated 16.02.2026**

*Shekhar*

Copy forwarded to:

1. Assessee
2. Respondent
3. CIT
4. CIT(A)
5. DR

**Sd/-**  
**[KRINWANT SAHAYA]**  
**ACCOUNTANT MEMBER**

Asst. Registrar,  
ITAT, New Delhi,