

**IN THE INCOME TAX APPELLATE TRIBUNAL  
"B" BENCH, MUMBAI**

**SHRI OM PRAKASH KANT, ACCOUNTANT MEMBER  
SHRI RAHUL CHAUDHARY, JUDICIAL MEMBER**

**ITA No.6014/MUM/2025  
(Assessment Year:2018-2019)**

**Deputy Commissioner of Income Tax  
Circle 14(1)(1), Mumbai**  
Room No.432, 4<sup>th</sup> Floor, Aayakar Bhavan,  
M. K. Road, Mumbai

..... **Appellant**

Vs

**BAU Developers Private Limited**  
802 B, 8<sup>th</sup> Floor, B Wing, Grande Palladium  
Near Vidyanagari S.O., Mumbai – 400098.  
Maharashtra.  
[PAN:AACCB7373G]

..... **Respondent**

**Appearance**

For the Appellant/Revenue : Shri Solgy Jose T. Kottaram  
For the Respondent/Assessee : Shri Fenil Bhatt

**Date**

Conclusion of hearing : 03.12.2025  
Pronouncement of order : 24.02.2026

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**ORDER**

**Per Rahul Chaudhary, Judicial Member:**

1. The present appeal preferred by the Revenue is directed against the order, dated 28/07/2025, passed by the National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'the **CIT(A)**'] whereby the Ld. CIT(A) had partly allowed the appeal against the Assessment Order, dated 18/03/2025, passed under Section 143(3) read with Section 263 read with Section 144 B of the Income Tax Act, 1961 for the Assessment Year 2018-2019.
2. The Revenue has raised following grounds of appeal:
  - "a) *Whether, on the facts and in the circumstances of the case and in law, the Ld. CIT(A) erred in deleting the addition of 29,57,77,271/ without giving the Assessing Officer an opportunity to examine the new evidence (reconciliation statement of advances) that was not submitted during the original assessment proceedings and*

*without appreciating that such evidence constituted fresh facts and should have been verified by the AO*

- b) *Whether, on the facts and in the circumstances of the case and in law, the Ld. CIT(A) erred in holding that the addition made by the AO was factually incorrect and legally unsustainable, without considering the AO's finding that a significant portion of the advances pertained to agreements for sale that were executed prior to the relevant financial year, thus requiring revenue recognition in A.Y. 2018-19 under the Percentage Completion Method.*
- c) *Whether, on the facts and in the circumstances of the case and in law, the Ld. CITIA) failed to appreciate that the Part Occupancy Certificate issued for the project during the previous year was a critical event indicating significant project completion, which, in conjunction with the executed agreements, necessitated the recognition of revenue from the advances received.*
- d) *Whether, on the facts and in the circumstances of the case and in law, the Ld. CITIA) erred in not confirming the action of the Assessing Officer in making the addition, thereby rendering the assessment order erroneous and prejudicial to the interest of the revenue."*

3. We have heard both the sides and have perused the material on record.
4. The relevant facts in brief are that Assessee is a developer engaged in the business of real estate development. The Assessee had undertaken a single residential project named 'IBIS'. For the said project, the Assessee had reported cumulative sales of INR.158,69,87,671/- which were offered to tax over the Financial Years 2012-2013 to Financial Year 2022-2023. According to the Assessee, except for the Assessment Year 2018-19, the sales/revenues recognized by the Assessee for the aforesaid financial years have been accepted by the Revenue.
5. For the Assessment Year 2018-2019, the Assessee filed return of income on 31/07/2018 which was subsequently revised on 27/03/2019. The case of the Assessee was picked up for regular scrutiny and Assessment Order under Section 143(3) of the Act was passed on 07/04/2021. Subsequently, exercising powers of revision

under Section 263 of the Act, the Learned Principal Commissioner of Income Tax - Mumbai 6, passed Order, dated 11/03/2024, setting aside the aforesaid assessment order as being erroneous in so far as prejudicial to the interest of Revenue and directed the Assessing Officer to make proper enquiry and assess the income for the Assessment Year 2018-2019 afresh after granting the Assessee opportunity of being heard. Therefore, the Assessing Officer issued notice under Section 142(1) of the Act to the Assessee taking note of the fact that the Assessee had disclosed advances of INR.29,57,77,271/- in the financial statements for the relevant previous year which were not recognized as revenue for the Assessment Year 2018-2019. The Assessee was asked to provide the details of the aforesaid advances and explain why same should not be considered as revenue for the Assessment Year 2018-2019 and brought to tax in the hands of the Assessee. In response, to Assessee filed submissions/replies before the Assessing Officer. The relevant extract of submissions, dated 04/03/2025, filed by the Assessee read as under:

*"Accordingly, we have recognized the revenue in respect of the sale of flats in the project as per the guidance notes issued by the ICAI which prescribes using percentage completion method for recognition of revenue in real estate projects. Further, as per the guidance notes issued by the ICAI the revenue has to be recognized only when significant risks and rewards related to the unit has been transferred. Accordingly the risks and rewards are transferred only when a sale agreement in respect of a particular unit is registered until then the amount received from the customers are recorded as Advance from Customers under the liabilities. Once an agreement has been entered the revenue is recognized in respect of the unit as per the percentage completion method prescribed in the Guidance Notes issued by the ICAI. Revenue in respect of the registered unit is recognized irrespective of the fact whether the payment has been received from the customers or not.*

*Further, vide our submission dated 20/02/2025 we had submitted details of advance from customers of Rs.29,57,77,271/- as on 31/03/2018. In the said submission we had provided flat wise details and the treatment of each amount in the subsequent periods which is reproduced below:*

Particulars	Amount	PAN	Agreement Date	Remarks	Financial Year in which Income is Considered
Flat No.1004 Pratik P. Oza	4,28,685	AAEPO9728P	09.02.2017	Other charges received has been offered for income in FY 2018-19	2018-19
Flat No.1502 Pradip B. Mehta. Shaila P. Mehta	13,59,047	AACPM2199J	29.05.2015	Other charges received has been offered for income in FY 2018-19	2018-19
xx	xx	xx	xxx	xx	xx
xx	xx	xx	xxx	xx	xx
Flat No.902 Bhavin B. Luhar & Monica C. Patel	1,02,08,742	AACPL5554C	04.01.2019	Agreement entered in FY 2018-19 and the sale has been offered in the same year	2018-19
Flat No.904 Kutubuddin & Taher Ringwala	16,19,830	AEPPA7170Q	31.12.2012	Other charges received has been offered for income in FY 2020-2021	2018-19
	<b>29.57,77,271</b>				

*For your goodself's perusal, we hereby submit summarized details of the above table as under:*

*As mentioned in the above paras as per the Accounting Standard 9 and the guidance notes issued by the ICAI the revenue from real estate transactions are recognized only when significant risks and rewards in respect of a particular project (unit in the present case) are transferred. In real estate projects, significant risks and rewards are considered to be transferred only when an Agreement to Sale is entered with the flat buyer until then the amount received from the buyer towards the flat is shown as Advance under the Liabilities side. This method of accounting is very crucial for real estate transactions as until an Agreement for Sale is entered the buyer always has a right to cancel the flat booking and in such case, the entire amount received from the buyer has to be returned. Accordingly in the case of units up to 25th Floors even though the Occupancy Certificate is received during the period 2017-18 however since the Agreements for Sale are not entered they are still the inventories of the Developer and hence are not offered for sale. Accordingly from the above table we hereby provide details of the units whose agreements for sale are entered in the later periods and sale has been recognized in the same period as well for your reference we also submit copies of Index 2 of these units at **Annexure 1.***

*Further, in the above-mentioned table we have mentioned that in respect of some units other charges were received from the flat buyers*

*as on 31/03/2018 and the Further, in the above-mentioned table we have mentioned that in respect of some submit that typically a developer collects certain charges from the flat buyers over same had been shown as advance from customers. In this regard, we would like to and above the agreement value of the flats. These charges are payable at the time of handing over the possession of the flat by the developer and accordingly they are offered for tax in the year when possession of the flats are given flat buyers. In the instant case as well we had collected other charges from the flat buyers and the same were shown as advance from customers and accordingly to the flat buyers. the when the possession of these given the other charges so collected were offered for income in that particular year. For your reference, details of the same are reproduced at **Annexure 2.***

*Further, advance from customers as: on 31/03/2018 includes advance amounts in respect of which bookings are already cancelled and the said amounts has been returned in the subsequent period. For your reference, we hereby submit the details of advances received whose bookings are cancelled as on 31/03/2018 along with their ledger copies at **Annexure 3.***

*Further, advance from customers as on 31/03/2018 includes advance amounts which are later on adjusted against the sale of other units, and the same has been offered for tax in the year when the agreement has been offered. For your reference, we hereby provide the details of amounts shown as advance from customers as on 31/03/2018 but in respect of which agreement for sale are not executed yet and later on the same amounts has been adjusted against the sale of other units along with the ledger copies and copies of Index 2 of new units. **Annexure 4**" (Emphasis Supplied)*

6. From the above it becomes clear that the Assessee furnished the breakup of advances of INR.29,57,77,271/- not offered to tax during the relevant previous year and provided reasons why the same were not recognized as revenue for the relevant previous year. It was explained that the Assessee had been consistently following Accounting Standard 9 and Guidance Note issued by The Institute of Chartered Accountants of India (ICAI) for recognition of revenue from real estate transactions using Percentage Completion Method. The advances under consideration pertaining to units in respect of which significant risk and reward had not been transferred to the buyers and therefore the same

were not recognized as revenue in the year of receipt (*and revenue recognition was done in the year of execution of the agreement and consequent transfer of risk & reward*). In support the Assessee placed upon the detailed statement mentioning the agreement date of each flat along with value of the agreement and the year in which sale proceeds were offered to tax. To corroborate the same, the Assessee placed before the Assessing Officer the Audited Profit & Loss Account for the Financial Year 2012-2013 to 2020-2021. The Assessee also furnished Occupation Certificate, dated 22/11/2017, and submitted that the Assessee had offered to tax aggregate revenue of INR.160.75 Crores from the project which was more than the revenue of INR.158.21 Crores mentioned in the RERA Registration Certificate.

7. However, the Assessing Officer rejected the explanation/submissions offered by the Assessee and brought to tax in the hands of the Assessee amount of INR.29,57,77,271/- shown as advance concluding as under:

"4.4. *Summary of information evidence collected after SCN (if any)*

*In response to show cause notice issued on 25.02.2025 the assessee submitted its reply, which has been considered. On perusal of the reply, it is noted that the assessee still submitted the same repeated replies. The assessee company failed to provide the details of advances received in the desired format which was provided in Para 2.4 A of the show cause notice.*

4.5. *Point-wise rebuttal of reply of the assessed including analysis of any case law relied upon-*

*In its submission, the assessee company claimed that they follow the accounting standard issued by ICAI. But from the perusal of record and the replies furnished by the assessee company it becomes crystal clear that the construction of the **building was completed during the year under consideration** i.e. FY 2017-18 relevant to the A Y 2018-19 and the **Occupancy Certificate of the project was also received by the assessee company on 22.11.2017 from the specified authority.** The contention of the assessee company that, the revenue has been recognized*

*only in respect of those units for which agreements have been entered and in respect of those units for which agreements are not entered, the revenue has not been recognized even though advances have been received as the risk and rewards for those units are not yet transferred which is an essential component for revenue recognition", is not found acceptable as the assessee company has been following percentage completion method. Further, as per order u/s 263 of the Income Tax Act, 1961, the fact was underlined that the assessee company had shown advance on sale of flats to the extent of Rs. 29.58 crore as on 31.03.2018, whereas the occupation certificate was received on 22.11.2017. Furthermore, on perusal of the information furnished by the assessee company, it is noted that as per agreement dates of these advances, in maximum cases, the agreements for sales were executed before the year under consideration, but revenue has not been still recognised in these cases. The assessee has remained silent on this issue and has not submitted any comments with regard to agreements executed in these cases. The plea of the assessee that the sales is being recognised after executing agreements/contracts is therefore not found acceptable. Therefore the amount of Rs 29,57,77,271/- shown as advances against flats sold during the year under consideration is also required to be declared as sales during the year under consideration itself.*

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4.6. Conclusion drawn:

- A. *In view of the above-mentioned facts and circumstances and from the perusal of available records and the replies of the assessee company, it is noted that there is **no ambiguity** in the fact that **the construction of the building was completed during the year under consideration ie. FY 2017-18 relevant to the AY 2018-19 and Occupancy Certificate of the said project was received by the assessee company from the specified authority on 22.11.2017** itself. Therefore, the amount of Rs 29,57,77,271/-shown as advances as on 31.03.2018 are hereby treated as sales and added to the income of the assessee company for the year under consideration.(Variation-Rs 29,57,77,271/-)" [Emphasis Supplied]*

8. Being aggrieved by the above addition made by the Assessing Officer,

the Assessee preferred appeal before the Learned CIT(A). In appellate proceedings before the Learned CIT(A), the Assessee reiterated the submissions made before the Assessing Officer. It was clarified by the Assessee that the Occupancy Certificate, dated 22/11/2017 was partial occupancy certificate and that the finding returned by the Assessing Officer that the project was completed during the year was factually incorrect. It was submitted that the Assessee was consistently following the same method of revenue recognition for the project over the years and the revenue recognized in preceding as well as succeeding year was accepted by the Department. Since the advances under consideration were in respect of units where risk and reward had not been transferred by the Assessee to the purchasers, the advances received were not recognized as income. The details of all advances from customers, including their subsequent treatment in later years, was duly submitted during the assessment proceedings along with the supporting documents, such as flat-wise details, cancellation records, adjustments against other units, and copies of relevant agreements. However, the Assessing Officer proceeded to make the additions without appreciating the correct facts.

9. The above submissions found favour with the Learned CIT(A), as the addition made by the Assessing Officer was deleted by the Learned CIT(A) holding as under:

"6. *Decision*

6.1 *I have carefully considered the reassessment order passed u/s 143(3) r.w.s. 263/144B dated 18.03.2025, the underlying order passed by the Principal Commissioner of Income-tax u/s 263, and the detailed written submissions of the appellant dated 20.06.2025. adjudication is the taxability of an amount of 29.5777.271/- representing advances 25.06.2025. and 23.07.2025 along with all accompanying annexures. The key issue for received from customers, which the Assessing Officer has treated as sales during A.Y 2018-19.*

- 6.2 It is an undisputed fact that the appellant has, since inception, consistently followed the Percentage Completion Method (PCM) of revenue recognition, in accordance with Accounting Standard-9 (AS-9) and the ICAI Guidance Note on Accounting for Real Estate Transactions (2012). This method was accepted by the Department in earlier years, including in scrutiny for **A.Y. 2015-16**, as evidenced by the assessment order, which is on record. No deviation from facts or law has occurred in the current year that would justify a change in the accepted accounting treatment, It is a settled position in law, reaffirmed by the Hon'ble Supreme Court in several decisions including Radhasoami Satsang v. CIT [193 ITR 321 (SC)), that where a consistent method is accepted, the Department is not permitted to adopt a contrary stand in a subsequent year without change in facts or law.
- 6.3 The AO's sole basis for invoking revenue recognition was the receipt of a **Part Occupancy Certificate (POC)** dated 22.11.2017, However, a bare perusal of the document reveals that it was only a partial completion certificate, limited to floors up to the 25th floor, where as full OC was received on 07/07/2020 upto 28th floor ie approx. 2.5 years later. Moreover, as of 31.03.2018, the flats for which the AO treated the advances as sales had not been subject to any registered agreement for sale, nor had possession been handed over. These facts are not contested by the Department.
- 6.4 Under the principles governing revenue recognition in real estate transactions under the Percentage Completion Method (PCM) are well-established under Accounting Standard-9 and elaborated in the Revised ICAI Guidance Note (2012). As clarified therein, revenue can be recognized only when significant risks and rewards of ownership have transferred to the buyer-ordinarily evidenced through a legally enforceable agreement for sale. This condition must be satisfied even where construction is complete or advances have been received. The Guidance Note further aligns the PCM with AS-7 (Construction Contracts), making it applicable where project characteristics such as long duration, interdependent activities, and estimable outcomes-mirror those of construction contracts:

As per para 3.3 of the guidance notes:-

"For recognition of revenue in case of real estate sales, it is necessary that all the conditions specified in paragraphs 10 and 11 of Accounting Standard (AS) 9, Revenue

*Recognition, are satisfied. As stated above, real estate sales take place in a variety of ways and may be subject to different terms and conditions as specified in the agreement for sale. Accordingly, the point of time at which all significant risks and rewards of ownership can be considered as transferred, is required to be determined on the basis of the terms and conditions of the agreement for sale. In case of real estate sales, the seller usually enters into an agreement for sale with the buyer at initial stages of construction. This agreement for sale is also considered to have the effect of transferring all significant risks and rewards of ownership to the buyer provided the agreement is legally enforceable and subject to the satisfaction of conditions which signify transferring of significant risks and rewards even though the legal title is not transferred or the possession of the real estate is not given to the buyer. Once the seller has transferred all the significant risks and rewards to the buyer, any acts on the real estate performed by the seller are, in substance, performed on behalf of the buyer in the manner similar to a contractor. Accordingly, revenue in such cases is recognised by applying the percentage of completion method on the basis of the methodology explained in AS 7, Construction Contracts".*

*Further, in para 5 the Guidance notes explains the methodology of application of Percentage Completion Method which is as under: -*

*"5.1 The percentage completion method should be applied in the accounting of all real estate transactions/activities in the situations described in paragraph 3.3 above, i.e., where the economic substance is similar to construction contracts. Some further indicators of such transactions/activities are:*

- (a) The duration of such projects is beyond 12 months and the project commencement date and project completion date fall into different accounting periods.*
- (b) Most features of the project are common to construction contracts. viz., land development, structural engineering, architectural design, construction, etc.*
- (c) While individual units of the project are contracted to be delivered to completion of a number of common*

*activities and/or provision of different buyers these are interdependent upon or interrelated to common amenities.*

*(d) The construction or development activities form a significant proportion of the project activity.*

*5.2 This method is applied when the outcome of a real estate project can be estimated reliably and when all the following conditions are satisfied*

*(a) total project revenues can be estimated reliably:*

*(b) it is probable that the economic benefits associated with the project will flow to the enterprise;*

*(c) the project costs to complete the project and the stage of project completion at the reporting date can be measured reliably; and*

*(d) the project costs attributable to the project can be clearly identified and measured reliably so that actual project costs incurred can be compared with prior estimates.*

*When the outcome of a project can be estimated reliably, project revenues and project costs associated with the project should be recognised as revenue and expenses respectively applying the percentage of completion method in the manner detailed in paragraphs 5.3 to 5.8 below".*

*In view of the above, it is abundantly clear that under the Percentage Completion Method, as laid down in the Revised ICAI Guidance Note (2012) and upheld by judicial Shivalik Buildwell CIT Pvt. Ltd authorities including 2013] 40 taxmann.com 219 (Gujarat), revenue from real estate cannot be recognized [solely on the basis of advances or partial completion. Recognition must be linked to the transfer of significant risks and rewards, typically through execution of a registered agreement for sale. In the present case, the absence of such agreements renders the AO's addition both factually incorrect and contrary to established accounting principles. Accordingly, the appellant's method of recognition stands fully validated in law and practice.*

*6.5 Further, the appellant has filed an exhaustive unit-wise and party-wise reconciliation of the said 29.57 crore, which has been categorically bifurcated into:*

- 13.96 crore: Agreements executed and taxed in subsequent years (Annexure 1).
- 01.86 crore: Ancillary charges (e.g., parking, floor rise) taxed as per invoice year (Annexure 2).
- 10.04 crore: Cancelled bookings-refunded and offered for taxation taxed on resale (Annexure 3).
- 03.69 crore: Advances adjusted against new bookings (Annexure 4).

6.6. Furthermore, each of these amounts has been offered to tax in the appropriate by details submitted by assessee, as per accounting assessment year, as substantiated method consistently followed by assessee. It is further relevant that the appellant's **total declared project revenue** is 158.70 crore, as compared to 158.21 crore recorded in the MAHARERA portal, resulting in a surplus declaration of 48.83 lakhs, not understatement. The AO's assumption of tax evasion is therefore completely unsupported by facts or law.

6.7 xx xx

In view of the foregoing, it is conclusively held that the addition of 29,57,77,271/- is factually misconceived, legally unsustainable, and contrary to established principles of accounting and taxation. The action of the AO amounts to taxing notional income based on advances which have since been **offered to tax in full** in the appropriate assessment years, as per percentage of completion method, followed by assessee in consistent way.

*With regard to the disallowance w/s 40(a)(ia), the appellant has not contested this in appeal, and the same stands confirmed*

7. *In the result, Ground No. 1 is allowed and the addition of 29,57,77,271/- is directed to be deleted. Ground Nos. 2 and 3 are dismissed as relief has already been given to assessee on first ground itself.*

8. *Accordingly, this appeal is hereby partly allowed."*

10. We note that the Learned CIT(A) has returned the following findings while granting relief to the Assessee and deleting the additions made

by the Assessing Officer:

- (a) The Assessee had, since inception, followed the Percentage Completion Method (PCM) of revenue recognition, in accordance with AS-9 and the Guidance Note. This method was accepted by the Department in earlier years, including in scrutiny for Assessment Years 2015-16. The Department is not permitted to adopt a contrary stand in a subsequent year without a change in facts or law
- (b) the Occupancy Certificate, dated 22/12/2017, relied upon by the Assessing Officer to conclude that the project was completed during the relevant previous year was only a partial completion certificate limited to floors up to the 25<sup>th</sup> floor. Full Occupancy Certificate upto 28<sup>th</sup> Floor was received on 07/07/2020 (i.e., approximately 2.5 years later).
- (c) The Assessee had furnished exhaustive unit wise and party-wise reconciliation which is bifurcated into four categories:
  - i. INR.13.96 Crore Agreements executed and taxed in subsequent year
  - ii. INR.1.86 Crore - Ancillary charges (e.g. parking, floor rise) taxed as per invoice year
  - iii. INR.10.04 Crore - Cancelled bookings/refunded and offered for taxation on resale
  - iv. INR.3.69 Crore - Advances adjusted against new bookings

Each of the aforesaid amounts had been offered to tax in the appropriate assessment years.

11. We are of the view that the Revenue has failed to controvert the above findings returned by Learned CIT(A). We find that the Assessing Officer had returned a finding that the project was completed during the

relevant previous year by placing heavy reliance upon the Occupancy Certificate, dated 22/11/2017. The Learned CIT(A) overturned by the finding after correctly appreciating the contents of the said Occupancy Certificate dealing with partial completion. There is nothing on record to show that the project was completed during the relevant previous year. In our view, the Assessing Officer had proceeded to make the addition in respect of advanced under consideration on the basis of incorrect understanding of facts. Further, during the course of hearing the Learned Authorised representative for the Assessee had submitted that the entire exercise carried out by the Revenue was revenue-neutral inasmuch all the revenues of the project have already been recognized and offered for tax. Even the advances under consideration were recognized and offered to tax in the subsequent years and that the Assessee had furnished details in respect of the same during the assessment proceedings. It was contended that in such a situation, no addition was warranted. In support, reliance was placed on the judgment of the Hon'ble Supreme Court in the case of CIT vs. Excel Industries Ltd. (358 ITR 295) (Para 32) and the judgment of the Hon'ble Bombay High Court in the case of CIT vs. Nagri Mills Co. Ltd. (33 ITR 181), Pr. CIT vs. Rajendra Sitaram Goel (166 taxmann.com 221) (Para 5 and 6) and Pr. CIT vs. Rohan Projects (113 taxmann.com 339) (Para 8-9) wherein Courts have held that where the rate of tax is uniform, taxability in one year or another should not be a matter of any consequence for the Revenue. We find merit in the aforesaid contentions advanced on behalf of the Assessee. Further, the Learned CIT(A) has recorded that the Assessee had followed consistent method since the inception of the project. Entire project revenues have been offered to tax over the years. For the Assessment Year 2015-2016 the approach adopted by the Assessee was accepted without any additions being made in respect of advances received. This has not been disputed by the Revenue. Even otherwise we find that the decision of the Learned CIT(A) is supported by the decision of the Mumbai Bench

of the Tribunal in the case of DCIT vs. Caval Cade Properties Ltd. (ITA No.4030 & 4273/Mum/2017 dated October 30, 2019) cited on behalf of the Assessee. Therefore, we find no reason to interfere with the order passed by the Learned CIT(A) deleting addition of INR.29,57,77,271/ made by the Assessing Officer.

12. During the course of hearing, it was contented by Learned Departmental Representative that the Learned CIT(A) had relied upon documents/details furnished by the Assessee without granting the Assessing Officer an opportunity to verify the same. We do not find a merit in the aforesaid submission advance on behalf of the Revenue. We find that the Assessee had filed all the relevant documents and details before Assessing Officer. We have reproduced the relevant extract of the reply, dated 04/03/2025, filed by the Assessee in paragraph 5 above. Perusal of paper book filed by the Assessee [Page No.170 to 414] shows that the relevant information/details on which reliance was placed by the Learned CIT(A) was furnished as annexure to the said letter. Therefore, we reject the contention raised on behalf of the Revenue that sufficient opportunity was not granted to the Assessing Officer to verify the documents/details relied upon by the Learned CIT(A).
13. In view of the above, all the grounds raised by the Revenue are dismissed.
14. In result the appeal preferred by the Revenue is dismissed.

Order pronounced on 24.02.2026.

*Sd/-*  
**(Om Prakash Kant)**  
**Accountant Member**

*Sd/-*  
**(Rahul Chaudhary)**  
**Judicial Member**

मुंबई Mumbai; दिनांक Dated : 24.02.2025  
*Milan, LD*

**आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent.
3. आयकरआयुक्त/ The CIT
4. प्रधान आयकर आयुक्त / Pr.CIT
5. विभागीयप्रतिनिधि ,आयकरअपीलीयअधिकरण ,मुंबई/ DR, ITAT,  
Mumbai
6. गार्डफाईल / Guard file.

आदेशानुसार/ BY ORDER,

सत्यापितप्रति //True Copy//

उप/सहायकपंजीकार /(Dy./Asstt.Registrar)  
आयकरअपीलीयअधिकरण, मुंबई / ITAT, Mumbai