

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'SMC-3', NEW DELHI**

**BEFORE SHRI J. SUDHAKAR REDDY, ACCOUNTANT MEMBER**

**ITA No. 696/Del/2015**

**AY: 2010-11**

ITO, Ward 16(1)  
New Delhi

vs. MKP Farms P.Ltd.  
D 17A, Ansal Villas  
Satbari, Chattarpur, Mehrauli  
New Delhi 110 074

PAN: AADCM 6326 P

**(Appellant)**

**(Respondent)**

**Appellant by** : Sh. Anil Sharma, Sr.D.R

**Respondent by** : None

**ORDER**

This is an appeal filed by the Revenue directed against the order of the Ld.CIT(A)-IX, New Delhi dated 29.10.2014 pertaining to the Assessment Year (A.Y.) 2011-12.

2. None appeared on behalf of the assessee. Sh.Anil Sharma, Ld.Sr.D.R. represented the Revenue.

3. After hearing the Ld.Sr.D.R. I dispose of the case ex parte qua the assessee on merits.

4. The First Appellate Authority has at para 5.3 of his order held as follows.

*“5.3. The reason given by the AO and the submission of the appellant are considered. This issue has been discussed in*

*appellant's own case in the A.Y. 2010-11. It is concluded as below.*

*“The reason given by AO and the submission of the appellant are considered. It is seen that, the AO is not relying on the original lease deed, hire agreement and service agreement, entered into between the lessee and assessee company & shareholders/directors of the assessee company, which has been duly signed by all the three directors of the assessee company. The AO made the addition on the basis of an addendum which in fact has not been signed by all the three directors and also not acted upon. In the letter dated 26.02.2013, the tenant has clearly mentioned that no other service is received from the appellant company. It can be a normal business decision to get the services done from other persons and not the property owner which in this case is the directors. Secondly, the relevant income has been offered for taxation in the cases of directors indicating there is no loss of revenue. In such a scenario, the appellant is not benefited by diverting the rent receivable to the directors of the company. The amended agreement relied by the AO is not acted upon. Hence, the AO has no basis to ignore original agreement and depend on some other document which is not even authenticated by the supplier of the document. In view of this, the ground of appeal is allowed.”*

5. Ld.Sr.D.R. could not controvert the findings of the First Appellate Authority. As the Ld.CIT(A) has followed his own order in the assessee's own case for the earlier Assessment Year and as the Ld.D.R. could not produce any material to demonstrate that the findings of the First Appellate Authority for the A.YT. 2010-11 have been dislodged, I uphold the finding and dismiss this appeal of the Revenue.

6. In the result the appeal by the Revenue is dismissed.

Order pronounced in the Open Court on 26<sup>th</sup> September, 2016.

Sd/-

**(J. SUDHAKAR REDDY)**  
**ACCOUNTANT MEMBER**

Dated: the 26<sup>th</sup> September, 2016

- *Manga*

Copy forwarded to: -

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR, ITAT

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By Order,

**ASSISTANT REGISTRAR**