

**IN THE INCOME TAX APPELLATE TRIBUNAL
LUCKNOW BENCH 'B', LUCKNOW**

(THROUGH VIRTUAL HEARING)

**BEFORE SHRI A. D. JAIN, VICE PRESIDENT AND
SHRI T. S. KAPOOR, ACCOUNTANT MEMBER**

I.T.(SS)A. Nos.239 & 240/Lkw/2020
Assessment Years:2010-11 & 11-12

A.C.I.T., Central Circle-1, Lucknow. (Appellant)	Vs.	M/s Lucknow Mall Developers Pvt. Ltd., 426, T G. Civil Lines, New Hyderabad, Lucknow. (Respondent)
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Appellant by	Smt Sheela Chopra, CIT, D.R.
Respondent by	Shri Rakesh Garg, Advocate
Date of hearing	02/09/2021
Date of pronouncement	12/10/2021

ORDER

PER T. S. KAPOOR, A M.

These two appeals have been filed by the Revenue against the separate orders of learned CIT(A), dated 03/06/2020 and 17/06/2020 pertaining to assessment years 2011-12 & 2012-13 respectively. Both the appeals were heard together therefore, for the sake of convenience a common and consolidated order is being passed. The grounds of appeal taken by the Revenue are similar in both the appeals. For the sake of completeness, the grounds taken by the Revenue in I.T.A. No.239/Lkw/2020 are reproduced below:

"1. *On facts and circumstances of the case and in law, the Ld CIT(A) has erred in annulling the assessment order framed u/s 153C in case of 'other person' (non-searched person) on grounds that under section 153C, the relevant period of six prior assessment year(s) is to be*

reckoned from the year of recording satisfaction / handing over of seized material, without appreciating that u/s 153C(1) itself it is clearly provided that the assessment can be made in respect of 'other person' for the relevant assessment year or years referred to in sub-section (1) of section 153A which inter alia provides to reckon the period of six assessment years w.r.t to the previous year in which search is initiated.

2. On facts and circumstances of the case and in law, the Ld. CIT(A) while annulling the assessment order framed u/s 153C in case of 'other person' failed to appreciate that section 153C(1) has been amended w.e.f. 1.4.2017 to clarify that the relevant period of six prior assessment year(s) is to be reckoned from the year of initiation of search only and since the notice u/s 153C was issued after 1.4.2017 and assessment completed thereafter, the above amendments were squarely applicable and that the decision of Delhi HC in RRJ Securities rendered prior to amendment was inapplicable.

3. On facts and circumstances of the case and in law, the Ld. CIT(A) erred in relying upon the explanatory memorandum circulated vide CBDT circular no 2/2018 explaining amendments to section 153C by Finance Act 2017 without appreciating that the expression "six asstt years immediately preceding the asstt year relevant to the previous year in which search is conducted..." was already appearing in 2nd proviso to 153C also w.e.f. 1/7/2012 itself and hence the same expression inserted u/s 153C(1) w.e.f. 1/4/2017 could not be inferred to be applicable prospectively based on CBDT circular as it is settled that in case of any conflict between statute and CBDT circular, the former shall take the precedence because similar expression appearing at two places in same section cannot have two different dates of applicability.

4. Without prejudice to the above grounds, on facts and circumstances of the case and in law, the learned CIT(A) erred in concluding that the amendment was applicable only for searches conducted after 1/4/2017 without appreciating that the amendment u/s 153C(1) inserting the expression ".....six asstt years..... in which search is conducted....." was only to provide a machinery provision without imposing any

new conditions denying any accrued rights or imposing disabilities and intended to only cure the absurd consequences by application of 1st proviso to the extent of the clarifying the reckoning of the six assessment years u/s 153C(1) which already existed prior to amendment also.

5. *That the Ld. CIT(A) failed to appreciate that while interpreting a machinery/curative provisions, they should be interpreted in such way that it would give meaning to the charging provisions and that the machinery provisions are liberally construed as held by apex court in case of CIT Vs M/s Calcutta Knitwears 362 ITR 673(SC). Therefore, amendment brought on statute on 1.4.2017 was w.r.t to the machinery provision only to the extent it was only clarificatory/curative in nature, and hence needs to be given a construction so as to give the a purposive meaning thereb implying that the insertion of expression "...six asstt years. in which search is conducted..." u/s 153C(1) would always be applicable to all pending cases where the date of recording satisfaction/handing over of seized material/issue of notices u/s 153C was after 1.4.2017 irrespective of the year of search, as in the present case.*

6. *On facts and circumstances of the case and in law the Ld CIT(A) erred in not appreciating that even after to amendment u/s 153C(1) w.e.f. 1/4/2017, the 1st proviso which had been heavily relied by the Hon'ble Delhi HC in RRJ Securities has not been amended clearly implying thereby that 1st p oviso had no relevance to the reckoning AYs for purposes of making asstt u/s. 153C(1). As such the decision of Delhi HC in RRJ securities (supra) cannot be said to have laid down the correct law in view of the subsequent amendment brought u/s 153C (1) w.e.f. 1/4/2017.*

7. *On facts and circumstances of the case and in law the ld. CIT(A) has erred in not appreciating that the department did file the SLP against the decision of HC in RRJ Securities, but the same got dismissed due to incorrect tagging with another cases; with different question of law and no review was filed because tax effect was below the monetary limits as prescribed by the CBDT for filling SLP as evident from the CBDT letter F. No. ADG (L&R)-II/SCC/FT5 No. 200304/2015/2019-20/4638 dated 25.09.2019. Hence the*

decision of Delhi HC in RRJ Securities had not reached finality and was not a binding precedent in the state of UP.

8. On facts and circumstances of the case and in law, the learned CIT(A) also erred in not appreciating that the plea that impugned AY was beyond The scope of 6AYs u/s 153C was raised before CIT(A) for the first time only and therefore CIT(A) ought to have given opportunity to the AO also by calling for the remand report in view of the ratio of decision in case of CIT Vs British India corporation Ltd 337 ITR 64 (Alld.)."

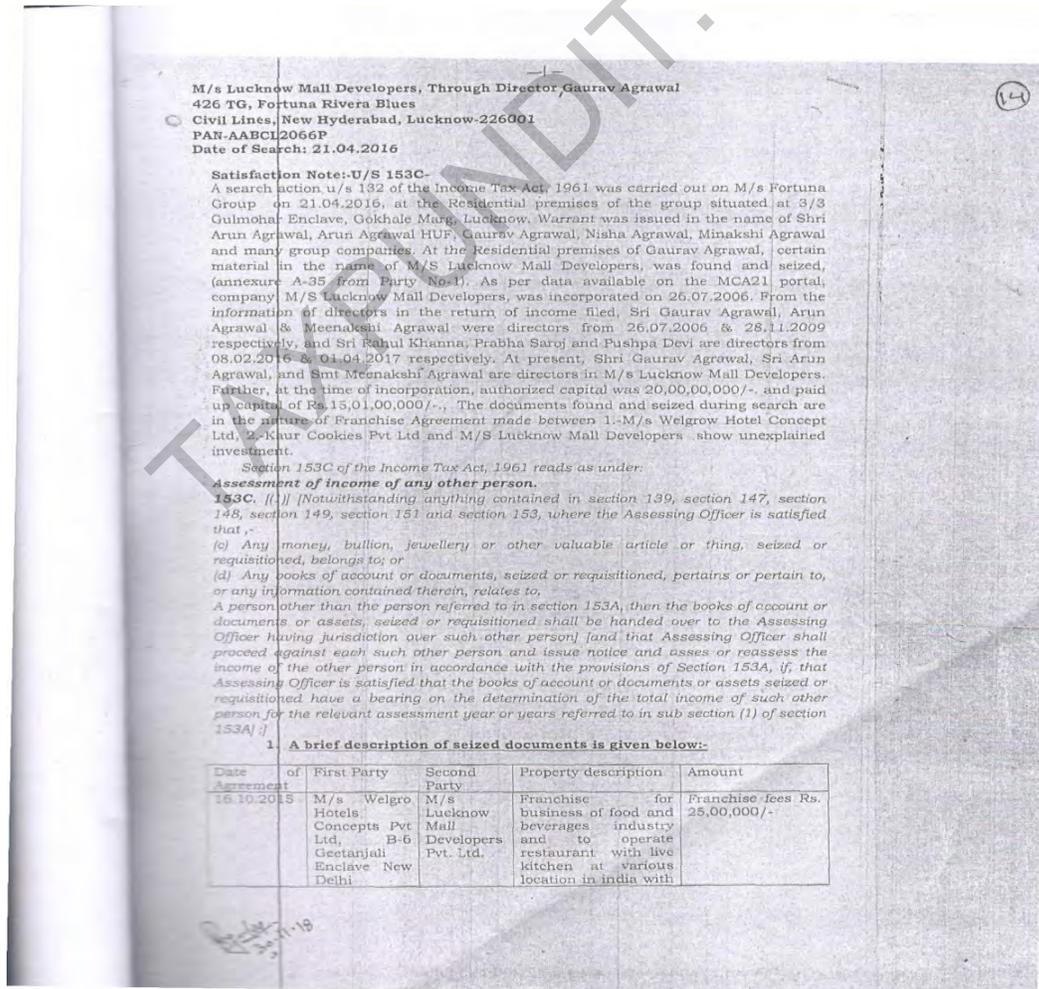
2. Learned CIT, D.R., at the outset, submitted that the learned CIT(A) has wrongly allowed relief to the assessee by holding that the assessment years involved, in these appeals, were beyond the period of six assessment years, which were reopened u/s 153A of the Act. It was submitted that keeping in view the amendment with effect from 01/04/2017, the learned CIT(A) should have held that the block of six assessment years in the case of searched person as well as in the case of other person will remain the same which he has omitted to hold by wrongly holding that the said amendment is applicable only for searches conducted after 01/04/2017 and while holding so he has ignored an important aspect that in these appeals the notices were issued after 01/04/2017 and therefore, the amended provisions were applicable. It was further submitted that learned CIT(A), while allowing wrong relief to the assessee, has not considered the judgment of Hon'ble Supreme Court in the case of CIT vs. Calcutta Khitwears [2014] 362 ITR 673 (SC) wherein it has been held that the amendment to any charging provision has to be liberally construed and has to be held clarificatory only and hence is to be applied retrospectively. Learned CIT, D.R., further submitted that this issue of not falling these years within the six assessment years was taken for the first time before learned CIT(A) and, therefore, keeping in view the ratio of decision of Hon'ble Allahabad High Court in the case of CIT vs. British India Corporation

Ltd. [2011] 337 ITR 64 (All), the learned CIT(A) should have given opportunity to the Assessing Officer to adjudicate on this ground. In view of these facts and circumstances, it was argued that learned CIT(A) has wrongly allowed relief to the assessee and therefore, it should be reversed and that of order of Assessing Officer be upheld.

3. Learned counsel for the assessee, on the other hand, heavily placed reliance on the orders of learned CIT(A) and argued that while giving relief to the assessee the learned CIT(A) has placed reliance on the order of Hon'ble Delhi High Court in the case of CIT vs. RRJ Securities Ltd. [2016] 380 ITR 612 (Del) wherein Hon'ble court has clearly held the provisions prevailing before the amendment of 01/04/2017 will be applicable in the case of the assessee as the search was conducted before 01/04/2017. Learned counsel for the assessee further submitted that besides the above case law, the learned CIT(A) has also relied on an order of Delhi Bench of the Tribunal in the case of Sanjay Thakur vs. DCIT in I.T.A. No.3559/Del/2015 and has also relied on CBDT Circular No. 2/2018 dated 15/02/2018 wherein the CBDT itself has clarified that the above amendment is valid for the searches conducted on or after 01/04/2017 and therefore, it was argued that the reliance placed on the judgment of Hon'ble Calcutta High Court in the case of CIT Vs M/s Calcutta Knitwears (supra), in the grounds of appeal, is not relevant as the CBDT itself has clarified the issue. Regarding the issue of providing opportunity to the Assessing Officer, Learned counsel for the assessee argued that the legal issue can be taken at any stage of proceedings which has been clarified many times by the various Hon'ble High Courts and Hon'ble Supreme Court and in this respect reliance was placed on the judgment of Hon'ble Supreme Court in the case of NTPC Ltd. vs. CIT 229 ITR 383 (SC). Learned counsel for the assessee invited our attention to a petition filed by the assessee under Rule 27

wherein the assessee has taken the ground of approval by Jt. CIT u/s 153D of the Act but it was submitted that he will not be pressing the same and the same may be dismissed as not pressed.

4. We have heard the rival parties and have gone through the material placed on record. We find that it is undisputed fact that a search took place on searched person on 24/04/2016 which is before the date of 01/04/2017 wherein the amendment took place. We further find that in these cases the assessee is other person and date of recording of satisfaction u/s 153C for issue of notice u/s 153C is 30/11/2018 as noted by learned CIT(A) in his order vide para 5.1. For the sake of completeness, the satisfaction note recorded u/s 153C, placed at pages 14 & 15 of the paper book, has been made part of this order and is reproduced below:



- 2 -

		brand name Kylin Experience.
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2. **Second Agreement**

Date of Agreement	First Party	Second Party	Property description	Amount
01.01.2016	Kaur Cookies Pvt Ltd, Address- F-38, Ambience Mall, Nelsan Mandela Marg, Vasant Kunj New Delhi	M/s Lucknow Mall Developers Pvt. Ltd.	Franchise for business of outlet being run under the name and style of Underdoggs sports Bar & Gril at City Mall Yipul Khand Lucknow	Franchise fees Rs. 18,50,000/-

The company is registered at a Flat of the Apartment constructed by the company at Flat No. 201A, Fortuna Riviera Apartment, 426, T.G. Civil Lines, New Hyderabad, Lucknow. A Survey u/s 133A of the Income Tax Act, was conducted at the premises on 21.04.2016. A staff member of M/s Lucknow Mall Developers Pvt. Ltd. Shri Sudhanshu Suman, Store manager was present at the premises whose statement was recorded on oath. In his statement he stated that the premise is used for the residential purposes for him and no business activities is being run from the premise. No cash or documents related to the business activities of the group companies were found thus no impounding was done.

The company has raised Rs 44700000/- from Aniruddh Motor & General Finance Pvt. Ltd. as equity, Rs 65325000/- from Erol Builders as loan and advances and Rs 40000000/-, from Dearborn as loan and advances. During the course of search proceedings statements of Shri Arun Agarwal and his son Shri Gaurav Agarwal were recorded on oath u/s 132(4) of the Income Tax Act on 21.04.2016. However, neither of them could satisfactorily explain either the source of funds. In fact, these companies are shell companies carrying out no business activity except to provide accommodation entries.

As evident from the above, M/s Lucknow Mall Developers Pvt. Ltd. has made agreement worth Rs. 25 Lakh plus 18.50 Lakh as per seized documents. These documents naturally relate to opening of new business by M/s Lucknow Mall Developers Pvt Ltd and therefore has a bearing on the computation of income of the company.

As per data available on ITD system, return filing history M/s Lucknow Mall Developers Pvt Ltd is given as under:

2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
0	0	0	0	0	0

As the returned income is not found commensurate with the franchise Agreement having such high franchise fee, I am satisfied that the seized document as mentioned above have a clear bearing on the determination of income of M/s Lucknow Mall Developers Pvt. Ltd. and hence, this case is fit to be covered u/s 153C of the Income Tax Act, 1961.

Issue notice u/s 153C of the Act.

30.11.18

TAXMINDER

4.1 The provisions of section 153C, before the amendment with effect from 01/04/2017, reads as under:

"SECTION 153C.

Assessment of income of any other person.

Notwithstanding anything contained in section 139, section 147, section 148, section 149, section 151 and section 153, where the Assessing Officer is satisfied that,—

(a) any money, bullion, jewellery or other valuable article or thing, seized or requisitioned, belongs to; or

(b) any books of account or documents seized or requisitioned, pertains or pertain to, or any information contained therein, relates to,

a person other than the person referred to in section 153A, then, the books of account or documents or assets, seized or requisitioned shall be handed over to the Assessing Officer having jurisdiction over such other person] [and that Assessing Officer shall proceed against each such other person and issue notice and assess or reassess the income of the other person in accordance with the provisions of section 153A, if, that Assessing Officer is satisfied that the books of account or documents or assets seized or requisitioned have a bearing on the determination of the total income of such other person [for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made and] for the relevant assessment year or years referred to in sub-section (1) of section 153A];]

[Provided that in case of such other person, the reference to the date of initiation of the search under section 132 or making of requisition under section 132A in the second proviso to [sub-section (1) of section 153A] shall be construed as reference to the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person:]”

4.2 The analysis of the above provisions of the Act demonstrates that in the case of other person, the date of initiation of search will be taken to be

the date of receiving of documents or assets by the Assessing Officer of the other person. In the present cases, the search took place on the searched person on 21/04/2016 and Assessing Officer of the searched person recorded a satisfaction on 30/11/2018 that certain documents found during the course of search of searched person related to the other person and Assessing Officer of both searched person and other person being same, on the same date he recorded a satisfaction to issue notice to other person i.e. the present assessees u/s 153C of the Act. Since the Assessing Officer, in the case of searched person and other person i.e. assessee, was same, therefore, there was no need to transfer any asset or documents physically and therefore, the date of recording of satisfaction i.e. on 30/11/2018 will be treated as the date of search in the case of other person which is the assessee in the present appeals. The Hon'ble Delhi High Court in the case of RRJ Securities vide order dated 30/10/2015 has held that where the Assessing Officer of searched person and other person is same, the date on which satisfaction is recorded, would be regarded as date on which Assessing Officer assumes possession of seized documents/assets in his capacity as Assessing Officer of other person. The Assessing Officer, in these cases, has recorded satisfaction on 30/11/2018 and therefore, has assumed jurisdiction on assessees on 30/11/2018 and therefore, the year during which satisfaction has been recorded, will be considered as search year in the case of assessees. Since the date of search in the present years falls in financial year 2018-19 corresponding to assessment year 2019-20, six assessment years preceding this assessment year, were required to be reopened for the purpose of making assessments u/s 153C of the Act. The assessment years which could have been reopened u/s 153C are assessment years 2018-19, 2017-18, 2016-17, 2015-16, 2014-15 and 2013-14. The appeals under consideration relate to assessment years 2011-12 and 2012-13 which do not fall in the above block period of six years

therefore, are beyond the scope of provisions of section 153C of the Act. The Hon'ble Delhi High Court in the case of Principal Commissioner of Income Tax vs. Sarwar Agency (P.) Ltd. [2017] 85 Taxmann.com 269 (Delhi), vide order dated 17/08/2017, has considered similar situation and has decided the issue in favour of assessee by holding as under:

"1. The Revenue has filed this appeal under Section 260A of the Income Tax Act, 1961 ('Act') against the order dated 1st July 2016 passed by the Income Tax Appellate Tribunal (ITAT) in ITA No. 6039/Del/2014 pertaining to the Assessment Year ('AY') 2006-07.

2. The question sought to be urged by the Revenue is whether the ITAT was justified in holding that the notice issued to the Assessee under Section 153C of the Act for the AY in question, i.e. 2006-07, is without jurisdiction since the said AY is beyond the purview of issuance of notice in terms of the said provision.

3. The facts, in brief, are that a search under Section 132 of the Act took place on 11th November 2010 in the Tinna Group of cases. The documents pertaining to the Assessee were forwarded along with a satisfaction note by the AO of the searched party to the AO of the Assessee on 3rd January 2013. The AO of the Assessee issued notice to the Assessee, which qua the searched party was the 'other person', under Section 153C on 4th January 2013.

4. Sub-section (1) of Section 153 C provides that the assessment or re- assessment of the income of the 'other person' would be in accordance with the provisions of Section 153 A. The first proviso to sub-section (1) of Section 153 C further states that, in case of such other person, the reference to the date of initiation of search in the second proviso to Section 153 A(1) "shall be construed as reference to the date of receiving the books of accounts or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person."

5. In terms of Section 153 A(1) (b) of the Act, the AO shall assess or re- assess the total income of six AYs immediately

preceding the AY relevant to the previous year in which the search was conducted. The second proviso to sub-section (1) of Section 153 A of the Act, states that assessment or re-assessment relating to any AY falling within the period of six AYs referred to in the said sub-section pending on the date of initiation of the search under Section 132, would abate.

6. The case of the Revenue is that the first proviso to Section 153 C refers only to the second proviso to Section 153 A(1) of the Act, which only indicates that any assessment relating to any AY falling within the period of six AYs which is pending as of the initiation of search shall abate. Therefore, the second proviso to Section 153C is also concerned only with the aspect of abatement of pending assessments. According to the Revenue, this makes no difference to the computation of the block of six years preceding the AY relevant to the previous year /in which the search was conducted. In other words, according to the Revenue, the block period for both the searched person and the 'other person' would remain the same notwithstanding that there may be some delay in transmitting the documents recovered during the search which belong or pertain to the 'other person' to the AO of such other person.

7. The case of the Assessee, on the other hand, is that since in the case of the 'other person' the AO issues notice only subsequent to the notices issued under Section 153 A to the searched person, the starting point for computation of the block period would be the date on which, based on the seized documents, notice is issued to the 'other person' under Section 153C of the Act. Thus in the present case, the six year period prior to AY 2012-13 i.e. AY 2007-08 to AY 2012-13. Thus no notice could be issued under Section 153 C of the Act to reopen the Assessee's assessment for AY 2006-07. Reliance is placed on the decision of this Court in Commissioner of Income-tax-7 v. RRJ Securities Ltd. [2016] 380 ITR 612 (Del) where this very question was examined and answered in favour of the Assessee and against the Revenue.

8. In RRJ Securities (supra), the Court after noticing the decision in SSP Aviation Ltd. v. Deputy CIT [2012] 346 ITR 177 (Del), held as follows:

"21. As discussed hereinbefore, once the AO of the searched person is satisfied that the seized assets/documents belong to another person and the said assets/documents have been transferred to the AO of such other person, the proceedings for assessment/reassessment of income of the other person has to proceed in accordance with provisions of Section 153A of the Act. Section 153A requires that where a search has been initiated under Section 132 of the Act, the AO is required to issue notice requiring the noticee to furnish returns of income in respect of six assessment years relevant to the six previous years preceding the previous year in which the search is conducted. As discussed hereinbefore, by virtue of second proviso to Section 153A, the assessment/reassessment pending on the date of initiation of search abate. In the context of proceedings under Section 153C of the Act, the reference to the date of initiation of the search in the second proviso to Section 153A has to be construed as the date on which the AO receives the documents or assets from the AO of the searched person. Thus, by virtue of second proviso to Section 153A of the Act as it applies to proceedings under Section 153C of the Act, the assessment/reassessment pending on the date on which the assets/documents are received by the AO would abate. In respect of such assessments which have abated, the AO would have the jurisdiction to proceed and make an assessment. However, in respect of concluded assessments, the AO would assume jurisdiction to reassess provided that the assets/documents received by the AO represent or indicate any undisclosed income or possibility of any income that may have remained undisclosed in the relevant assessment years.....

24. As discussed hereinbefore, in terms of proviso to Section 153C of the Act, a reference to the date of the search under the second proviso to Section 153A of the Act has to be construed as the date of handing over of assets/documents belonging to the Assessee (being the person other than the one searched) to the AO having jurisdiction to assess the said Assessee. Further proceedings, by virtue of Section 153C(1) of the Act,

would have to be in accordance with Section 153A of the Act and the reference to the date of search would have to be construed as the reference to the date of recording of satisfaction. It would follow that the six assessment years for which assessments/reassessments could be made under Section 153C of the Act would also have to be construed with reference to the date of handing over of assets/documents to the AO of the Assessee."

9. The said decision in RRJ Securities (supra) has been followed by this Court subsequently in ARN Infrastructure India Ltd. v. Assistant Commissioner of Income-tax Central Circule-28, New Delhi [2017] 394 ITR 569 (Del).

10. Mr. Salil Aggarwal, learned counsel for the Assessee, has drawn the attention of the Court to the recent amendment made in Section 153 C of the Act by the Finance Act, 2017 with effect from 1st April 2017. This amendment in effect states that the block period for the searched person as well as the 'other person' would be the same six AYs immediately preceding the year of search. This amendment is prospective.

11. Mr. Ashok Manchanda, learned Senior Standing counsel for the Appellant sought to pursue this Court to reconsider its view in RRJ Securities (supra). The Court declines to do so for more than one reason. First, for reasons best known to it, the Revenue has not challenged the decision of this Court in RRJ Securities (supra) in the Supreme Court. The said decision has been consistently followed by the authorities under this Court as well as by this court. Thirdly, the recent amendment to Section 153 C(1) of the Act states for the first time that for both the searched person and the other person the period of reassessment would be six AYs preceding the year of search. The said amendment is prospective.

12. Consequently, no substantial question of law arises from the impugned order of the ITAT. The appeal is, accordingly, dismissed."

4.3 While dismissing the appeal of Revenue, Hon'ble Delhi High Court has heavily placed reliance on the order of Hon'ble Delhi High Court in the case of RRJ Securities (supra) wherein the amendment by the Finance Act,

2017 has been held to be prospective. The grounds of appeal raised by the Revenue are primarily based on the amendment, which took place on 01/04/2017 and the crux of the arguments of learned CIT, D.R. is that by this amendment the provisions of section 153C gets amended retrospectively and block period of six years in the case of searched person and that of other person will remain same. However, we are not in agreement with the argument of the Department. The CBDT, vide Circular No. 2/2018 dated 15/02/2018, reproduced by learned CIT(A) in his order, has clearly held that such amendment is applicable in cases of searches conducted on or after 01/04/2017. The contents of such circular, reproduced by learned CIT(A), are reproduced below:

"80. Rationalisation of provisions of the Income Declaration Scheme, 2016 and consequential amendment to section 153A and 153C. 69

80.1 The provisions of clause (c) of the section 197 of the Finance Act, 2016 provide that where any income has accrued, arisen or been received or any asset has been acquired out of such income prior to commencement of the Income Declaration Scheme, 2016 (the Scheme), and no declaration in respect of such income is made under the Scheme, then, such income shall be deemed to have accrued, arisen or received, as the case may be, in the year in which a notice under sub-section (1) of section 142 or sub-section (2) of section 143 or section 148 or section 153A or section 153C of the Income-tax Act is issued by the Assessing Officer, and provisions of the said Act shall apply accordingly.

80.2 In view of the various representations received from stakeholders, section 197 of the Finance Act, 2016 has been amended so as to omit clause (c) of the said section.

80.3 Applicability: This amendment takes effect retrospectively from 1st June, 2016.

80.4 However, in order to protect the interest of the revenue in cases where tangible evidence(s) are found during a search

or seizure operation (including section 132A cases) and the same is represented in the form of undisclosed investment in any asset, section 153A of the Income-tax Act relating to search assessments has been amended to provide that notice under the said section can be issued for an assessment year or years beyond the sixth assessment year already provided up to the tenth assessment year if—

(i) the Assessing Officer has in his possession books of accounts or other documents or evidence which reveal that the income which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more in one year or in aggregate in the relevant four assessment years (falling beyond the sixth year);

(ii) such income escaping assessment is represented in the form of asset;

(iii) the income escaping assessment or part thereof relates to such year or years.

80.5 Applicability: The amended provisions of section 153A of the Income-tax Act shall apply where search under section 132 of the Income tax Act is initiated or requisition under section 132A of the Income-tax Act is made on or after the 1st day of April, 2017.

80.6 Section 153C of the Income-tax Act has also been amended to provide a reference to the relevant assessment year or years as referred to in section 153A of the Income-tax Act.

80.7 Applicability: These amendments take effect from 1st April, 2017.”

4.4 The Lucknow Bench of the Tribunal in I.T.A. No. 97 & 98, vide order dated 06/04/2021 has already taken a view in favour of assessee by following the judgment of Hon'ble Delhi High Court in the case of CIT vs. RRJ Securities [2016] 380 ITR 216 (Del).

4.4 Therefore, the arguments of the Revenue do not have any force and in view of the above facts and circumstances and following the judicial precedents, the grounds of appeal, taken by the Revenue, are dismissed. The petition moved by the assessee under Rule 27 of the I.T. Rules also stands dismissed.

5. In the result, both the appeals of the Revenue stand dismissed and the petition filed by assessee under Rule 27 is also dismissed.

(Order pronounced in the open court on 12/10/2021)

Sd/.
(A. D. JAIN)
Vice President

Sd/.
(T. S. KAPOOR)
Accountant Member

Dated:12/10/2021
*Singh

Copy of the order forwarded to

1. The Appellant
2. The Respondent.
3. Concerned CIT
4. The CIT(A)
5. D.R., I.T.A.T., Lucknow

Assistant Registrar