IN THE HIGH COURT OF ORISSA AT CUTTACK

I.T.A. No.38 of 2018

Commissioner of Income Tax, Cuttack .... ***Appellant***

Mr. R.S. Chimanka, Sr. Standing Counsel

-versus-

M/s.Patnaik Minerals Pvt. Ltd. .... ***Respondent***

Mr. Adhiraj Mohanty, Advocate

CORAM:
THE CHIEF JUSTICE
JUSTICE R.K.PATTANAIK

ORDER
15.03.2022

Order No.

03.

1. The present appeal by the Revenue is directed against the order dated 2nd November, 2017 passed by the Income Tax Appellate Tribunal, Cuttack Bench, Cuttack (ITAT) in ITA No.347/CTK/2016. By the impugned order, the ITAT dismissed the Revenue's appeal thereby upholding the order dated 29th June, 2016 passed by the Commissioner of Income Tax (Appeals) [CIT(A)] for the Assessment Year (AY) 2007-08.

2. The question sought to be urged by the Revenue was regarding the deletion of an addition made by the Assessing Officer (AO) in the sum of Rs.2,50,31,691/- for the alleged violation by the Assessee of the provision under Section 40(a)(ia) of the Income Tax Act, 1961 ('the Act').

3. The Court finds that both the CIT(A) as well as the ITAT had concurrently held that the amendment to the above Section 40(a)(ia) with effect from 1st April, 2010 had retrospective effect. The decisions of the High Court of Karnataka in the case of ***CIT v. Shri Santosh Kumar Shetty (2014) 89 CCH 199*** and in ITA No.551 of 2015 (***CIT V. Sri Scorpio Engineering Pvt. Ltd.)*** were relied upon.

4. Having heard learned counsel for the Revenue, the Court is not persuaded there any illegal error has been committed by the CIT (A) and the ITAT that warrants interference. No substantial question of law arises. The appeal is dismissed.

(Dr. S. Muralidhar)
Chief Justice

(R.K. Pattanaik)
Judge

KC Bisoi