

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

**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT**

**AND**

**SHRI AMITABH SHUKLA, ACCOUNTNAT MEMBER**

**ITA No.3452/DEL/2025  
[Assessment Year: 2021-22]**

AT & T Global Network Services India Private Limited, 13 <sup>th</sup> Floor, Mohan Dev House, 13 Tolstoy Marg, Connaught Place S.O. Central Delhi, New Delhi-110001	Vs	Assistant Commissioner of Income Tax, Circle-1(1), C.R. Building, New Delhi-110002
<b>PAN-AAFCA8810L</b>		
Appellant		Respondent

Appellant/Assessee by	Shri Kshitij Bansal, CA & Ms. Supriya Mehta, CA
Respondent/Revenue by	Ms. Ankush Kalra, Sr. DR

<b>Date of Hearing</b>	<b>05.02.2026</b>
<b>Date of Pronouncement</b>	<b>05.02.2026</b>

**ORDER**

**PER AMITABH SHUKLA, AM,**

This appeal by the assessee is directed against the order of Addl./JCIT(Appeals), Faridabad [hereinafter referred to as 'Id. CIT(A)] dated 23.03.2025 arising out of assessment order dated 17.10.2022 passed under section 143(1) of the Income Tax Act, 1961, for the Assessment Year 2021-22. The word 'Act' herein this order would mean Income Tax Act, 1961.

2. The assessee has raised following grounds of appeal:-

**Ground No.1: Non-grant of deduction of gratuity amounting to INR 85,25,109**

1.1 On the facts and circumstances of the case & in law, the learned AO/Commissioner of Income Tax (Appeals) ("CIT(A)") grossly erred in not granting the deduction on account of gratuity actually paid during the year amounting to IN 85,25,109 and without giving due consideration to the submissions of the Appellant.

1.2. Without prejudice to the above, on the facts and circumstances of the case & in law, the Appellant ought to be allowed a deduction of INR 85,25,109 towards gratuity paid during the year under consideration, which it is rightfully entitled to on an actual payment basis, irrespective of the disclosures made in Appellant's return of income vis-à-vis its tax audit report.

**Ground No.2: Incorrect computation of interest under section 234A and 234B of the Act**

2.1 On the facts and circumstances of the case and in law, the Ld. AO/CIT(A) erred in charging interest under section 234A and 234B of the Act.

3. The main issue emanating from the grounds of appeal raised by the assessee is regarding disallowance of Rs.85,25,109/- on account of gratuity by the ld. AO under section 143(1) of the Act vide its order dated 17.10.2022. The ld. Counsel for the assessee admitted that it committed an error while filing its Return of Income and disclosing figures in Tax Audit Report (in short 'TAR') qua claim gratuity. The ld. Counsel submitted that the impugned gratuity of Rs.85,25,109/- was paid by it during the year itself and hence was claimed as a deduction in accordance with provisions of section 40A(7) r.w.s. 37 of the Act. It was submitted that by an inadvertent mistake, the impugned amount of gratuity was reported in clause-10b of part-A-01 of ITR Form. It was further submitted that as the impugned amount of gratuity was not falling under section

43B of the Act, the same was not reported in column -26(A)(a) of TAR. The ld. CPC made the impugned addition on account of this unintended anomaly. The ld. Counsel for the assessee has placed before us through a voluminous paper book details and documents evidencing payment of the gratuity. Reference was also invited to Actuarial Valuation Report placed at page-96 to 113 of the paper book evidencing payment of gratuity of the impugned amount. It was argued that the Revenue has not disputed the payment of gratuity but merely made the impugned addition on account of inadvertent inconsistency in the ITR form and the TAR. The ld. Counsel has further submitted that on identical facts for the same assessment year in the case of appellant's sister concern AT & T Communications Services India Pvt. Ltd, the ld. CIT(A) has deleted the disallowance of gratuity payment on the basis of Actuarial Valuation Report.

4. We have heard the rival submissions in the light of material available on record. We have noted that the Actuarial Valuation Report (supra) evidences payment of gratuity of Rs.85,25,109/- by the assessee during the year. We are of the considered view that the mistake pointed out by the assessee appears to be an inadvertent error in reporting figures in ITR and TAR Forms. Accordingly, in the interest of justice, we set-aside the order of the lower authorities and restore the matter to the ld. Assessing Officer for limited verification of the factum of payment of gratuity of Rs.85,25,109/-. In the event of payment of gratuity of Rs.85,25,109/- made by the assessee during the year

under consideration and the same being duly supported by Actuarial Valuation Report (supra), the assessee shall be entitled to allowance of payment of gratuity of Rs.85,25,109/-. The appeal of the assessee is therefore allowed for statistical purposes.

5. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 05<sup>th</sup> February, 2026.

**Sd/-**  
**[MAHAVIR SINGH]**  
**VICE PRESIDENT**

**Sd/-**  
**[AMITABH SHUKLA]**  
**ACCOUNTANT MEMBER**

**Dated:** 30.03.2026

*Shekhar*

Copy forwarded to:

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

Asst. Registrar,  
ITAT, New Delhi,