



IN THE INCOME TAX APPELLATE TRIBUNAL "E", BENCH MUMBAI

BEFORE SHRI R.C.SHARMA, AM

&

SHRI PAWAN SINGH, JM

ITA No.3874/Mum/2012 & 3875/Mum/2012

(Assessment Year :2006-07 & 2008-09)

M/s. Shimnit Utsch India Pvt. Ltd., 8 th Floor, RegentChambers Nariman Point Mumbai – 400 021	Vs.	DCIT, 3(3) Mumbai- 400 021
PAN/GIR No.AAFCS3812A		
Appellant)	..	Respondent)

Assessee by	None
Revenue by	Shri Abdul Hakeem M.
Date of Hearing	31/08/2018
Date of Pronouncement	31/08/2018

आदेश / O R D E R

PER R.C.SHARMA (A.M):

These are the appeals filed by the assessee against the order of CIT(A)-7, Mumbai dated 07/02/2012 for A.Y.2006-07 & 2008-09, in the matter of order passed u/s. 143(3) of the IT Act.

2. In these appeals, assessee is aggrieved for confirming the addition on account of interest earned on fixed deposit and also offered in the return of income. The assessee was given various opportunities to appear before the Tribunal by issue of notices, however, even after issue and service of various notices, no body appeared on behalf of assessee. The case was first heard on 17/10/2017, thereafter it was put for clarification

as nobody was present when the case was originally heard on following dates.

1. 02/01/2018
2. 02/04/2018
3. 25/04/2018
4. 01/06/2018
5. 29/06/2018

3. In view of the above fact, bench finally decided to dispose the appeal after considering the material placed on record and hearing the DR.

4. We have carefully gone through the order of the authorities below and found that assessee was engaged in manufacturing automobile and auto parts. For the A.Y.2006-07 return of income for the A Y.2006-07 was furnished on 22/11/2006 disclosing total income at Rs.86,04,619/-. The case was processed u/s. 143(1) on 27/11/2007 at the returned income. The case was selected for scrutiny and notices u/s. 143(2) was issued on 03/10/2007 which was du/y served on the assessee. Another notice u/s. 143(2) alongwith notice u/s. 142(1) and was issued on 01/8/2008 and duly served on the assessee company. In response to the these notices, Shri Sunii Nahata, C.A. and authorized representative of the assessee company, attended along with Shri Shivratan Chhaparia, Accounts Executive from time to time and submitted the details called for. After discussion, total income of the assessee company is accepted as per

return of income. Thus, total income of the assessee company is assessed at Rs.86,04,619/-. However, before the CIT(A), it was contention of assessee that interest income is inextricably linked with the process of setting up of the new project the said interest ought to have been reduced from the cost of the fixed assets or pre-operative expenses of the project. The CIT(A) rejected the assessee's claim by observing as under:-

"4.1. I find that the appellant company has raised only one ground of appeal, which to charging to tax a sum of Rs. 1,38, 12,9337- by A.O. on account of interest earned deposit. The appellant contends that the A.O. was wrong and contrary to the facts in taxing the same.

4.2 But however the perusal of the assessment order clearly suggests that the return of income was accepted by the A.O. and assessed as it was disclosed through its return of income. I do not find any discussion in the entire order of the A.O. dated 12/12/06 of any such addition nor even the appellant could adduce any evidence that such claim was at all made before the A.O. In view of the aforesaid facts, I am of the considered view that the ground of appeal raised by the appellant does not emanate from the order of the A.O. Hence in my considered view there cannot be any cause of grievance to the appellant to be agitated u/s 246A of the Act. Accordingly the appeal filed by the appellant is completely infructuous, as the same does not emanate from the order of the A.O. Hence the same is dismissed."

5. We had carefully gone through the orders of the authorities below and found that assessee has himself offered the interest income for tax. Nothing was shown during course of assessment proceedings to indicate that this income was not earned by the assessee. Accordingly, we do not find merit in the assessee's contention that AO has wrongly taxed the income. Similar is the facts in the A.Y.2008-09. Following the reasoning given hereinabove, we do not find any infirmity in the order of lower authorities for taxing the income offered by the assessee.

6. In the result, both the appeals of assessee are dismissed.

Order pronounced in the open court on this 31/08/2018

Sd/-
(PAWAN SINGH)
JUDICIAL MEMBER

Sd/-
(R.C.SHARMA)
ACCOUNTANT MEMBER

Mumbai; Dated 31/08/2018

Karuna Sr.PS

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent.
3. The CIT(A), Mumbai.
4. CIT
5. DR, ITAT, Mumbai
6. Guard file.

BY ORDER,

सत्यापित प्रति //True Copy//

(Asstt. Registrar)
ITAT, Mumbai