

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई

IN THE INCOME TAX APPELLATE TRIBUNAL  
'C' BENCH, CHENNAI

श्री एन.आर.एस. गणेशन, न्यायिक सदस्य एवं  
श्री ए. मोहन अलंकामणी, लेखा सदस्य केसमक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND  
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.93/Chny/2014

निर्धारण वर्ष / Assessment Year : 2007-08

M/s Camiceria Apparels India  
Pvt. Ltd.,  
(Now known as Evolv Clothing  
Company Pvt. Ltd.)  
C/o M/s Subbaraya Aiyar  
Padmanabhan & Ramamani  
Advocates, New No.75 (Old No.105A),  
Dr. Radhakrishnan Salai,  
Mylapore, Chennai - 600 004.

v. The Assistant Commissioner  
of Income Tax,  
Company Circle – 1(3),  
Chennai - 600 034.

PAN : AAACC 9743 M  
(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Sh. R. Vijayaraghavan, Advocate  
प्रत्यर्थी की ओर से/Respondent by : Shri R. Clement Ramesh Kumar,  
Addl.CIT

सुनवाई की तारीख/Date of Hearing : 13.08.2018

घोषणा की तारीख/Date of Pronouncement : 12.09.2018

### **आदेश / O R D E R**

**PER N.R.S. GANESAN, JUDICIAL MEMBER:**

This appeal of the assessee is directed against the order of the Commissioner of Income Tax (Appeals) (C) – II, dated 20.11.2013 and pertains to assessment year 2007-08.

2. The first issue arises for consideration is disallowance of ₹14,75,570/-.

3. We heard Sh. R. Vijayaraghavan, the Ld.counsel for the assessee and Shri R. Clement Ramesh Kumar, the Ld. Departmental Representative. Admittedly, this expenditure of ₹14,75,570/- was classified by the assessee itself as pre-paid expenses. As rightly observed by the CIT(Appeals), it is a provision for expenditure which is unascertained. Therefore, it cannot be allowed during the year under consideration. Hence, this Tribunal do not find any reason to interfere with the order of the lower authority and accordingly the same is confirmed.

4. The next issue arises for consideration is grant of deduction under Section 10B of the Act.

5. We heard Sh. R. Vijayaraghavan, the Ld.counsel for the assessee and Shri R. Clement Ramesh Kumar, the Ld. Departmental Representative. The CIT(Appeals) by placing reliance on the judgment of Madras High Court in Shri Nagesh Chundur v. CIT dated 19.08.2013, found that the period of ten years is to be reckoned from the year in which the undertaking started

manufacturing of the products. In view of the above, this Tribunal do not find any reason to interfere with the order of the lower authority and accordingly the same is confirmed.

6. In the result, the appeal filed by the assessee is dismissed.

Order pronounced in the court on 12<sup>th</sup> September, 2018 at Chennai.

sd/-  
(ए. मोहन अलंकामणी)  
(A. Mohan Alankamony)  
लेखा सदस्य/Accountant Member

sd/-  
(एन.आर.एस. गणेशन)  
(N.R.S. Ganesan)  
न्यायिक सदस्य/Judicial Member

चेन्नई/Chennai,  
दिनांक/Dated, the 12<sup>th</sup> September, 2018.

Kri.

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)(C) -II, Chennai
4. CIT, Chennai-I, Chennai
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF.