

IN THE INCOME TAX APPELLATE TRIBUNAL  
BENGALURU BENCH 'B', BENGALURU

BEFORE SHRI. A. K. GARODIA, ACCOUNTANT MEMBER

AND

SHRI. LALIET KUMAR, JUDICIAL MEMBER

I.T.A No.720/Bang/2017  
(Assessment Year : 2010-11)

M/s. Sangeetha Mobiles P Ltd,  
No.37, "Srinivasa Nilaya",  
Sannidhi Road, Basavanagudi,  
Bengaluru 560 004  
PAN : AAMCS5916J

.. Appellant

v.

Addl. Commissioner of Income-tax,  
Range – 12, Bengaluru

.. Respondent

Assessee by : Shri. V. Srinivasan, Advocate  
Revenue by : Shri. R. N. Siddappaji, Addl. CIT

Heard on : 20.11.2018  
Pronounced on : 28.11.2018

**ORDER**

**PER LALIET KUMAR, JUDICIAL MEMBER :**

The present appeal is filed by the assessee against the order of the CIT (A) -6, Bengaluru, dt.27.01.2017, for the assessment year 2010-11, on the following effective ground :

2. *The learned CIT (A) is not justified in sustaining the disallowance of a sum of Rs.8,90,704/- being the depreciation on interiors claimed by the appellant forming part of the acquisition of the assets and business of M/s. Wave Communication under the facts and in the circumstances of the appellant's case.*

02. At the outset, the Ld. AR has drawn our attention to paras 5 and 6 of the order of the CIT (A), which read as under :

5. *In this context, it is noted that the appellant had capitalised assets taken over by it from Wave Communications to the extent of Rs.1,79,59,105/-. The appellant had filed a letter from Wave Communications dated 03/02/2010 wherein it was stated that a sum of Rs.1,18,76,051/- was paid for interiors of various shops acquired by appellant from Wave Communications. Items acquired by appellant from Wave Communications included computers, tables, chairs, air-conditioners, laptops etc.,*

6. *In this context, it may be noted that the said furniture and fixtures were put to use by appellant for less than 180 days since the same were acquired on 03/02/2010. As per 2<sup>nd</sup> Proviso of section 32, deduction on depreciation will be allowable @ 50% only on eligible assets if assets / furniture & fixtures acquired during the relevant financial year are put to use for less than 180 days during the relevant financial year.*

03. On the other hand the Ld. DR relies upon the order passed by the CIT (A).

04. We have heard the rival submissions and perused the material on record. The CIT (A) has allowed the depreciation to the extent of 50% as the assets were acquired on 03.02.2010, which was less than 180 days and therefore the assessee was entitled to the depreciation at the rate of 50% only and not at the rate claimed by the assessee, in the appeal before us. We find justification in the action of the CIT (A) and hence we uphold the order of the CIT (A).

05. In the result, appeal of the assessee is dismissed.

Order pronounced in the open court on 28<sup>th</sup> day of November, 2018.

Sd/-

(A. K. GARODIA)  
ACCOUNTANT MEMBER

Sd/-

(LALIET KUMAR)  
JUDICIAL MEMBER

Bengaluru

Dated : 28.11.2018

MCN\*

Copy to:

1. The assessee
2. The Assessing Officer
3. The Commissioner of Income-tax
4. Commissioner of Income-tax(A)
5. DR
6. GF, ITAT, Bangalore

By order

Assistant Registrar  
Income Tax Appellate Tribunal,  
Bangalore.