

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCHES "E": DELHI

BEFORE SHRI BHAVNESH SAINI, JUDICIAL MEMBER
AND
SHRI B.R.R. KUMAR, ACCOUNTANT MEMBER

ITA.No.392/Del./2017
Assessment Year 2013-2014

The Income Tax Officer, Ward-17(4), Room No.225D, C.R. Building, I.P. Estate, New Delhi.	vs.,	M/s. National High Power Test Laboratory Pvt. Ltd., NTPC Bhawan, Core-7, Institutional Area, New Delhi – 110 003. PAN AADCN0782A
(Appellant)		(Respondent)

For Revenue :	Ms. Rinku Singh, Sr. D.R.
For Assessee :	-None-

Date of Hearing :	14.08.2019
Date of Pronouncement :	02.09.2019

ORDER

PER BHAVNESH SAINI, J.M.

This appeal by Revenue has been directed against the Order of the Ld. CIT(A)-6, Delhi, Dated 09.11.2016 for the A.Y. 2013-2014, on the following grounds :

1. *“Whether in facts and circumstances of the case, the Ld. CIT(A) is legally justified in holding that interest*

income earned on surplus funds during the pre-commencement of business is not liable to tax u/s 56 of the Income Tax Act (the Act) ?

2. *Whether in facts and circumstances of the case and in law, the ratio decidendi as laid down by Hon'ble Apex Court in case of Tuticorin Alkali Chemicals and Fertilizers Ltd. vs CIT(1997) 227 ITR 172 (SC) and CIT vs. Coromandal Cement Ltd. (1998) 134 ITR 412 is applicable to the facts and circumstances of the case?*
3. *Whether in facts and circumstances of the case, the Ld. CIT(A) is legally justified in following the order of his predecessor on the issue ignoring the decision of Hon'ble Supreme Court in case of Tuticorin Alkali Chemicals and Fertilizers Ltd. vs CIT ?”*

2. Briefly the facts of the case are that A.O. on perusal of the of Note of “Other Income” of the Statement of Profit and Loss Account observed that the Assessee Company has shown receipt of Rs.2,39,21,154/- on account of interest Income from Indian Banks. The assessee has reduced the entire receipts on account of interest from the

total expenditure during construction period and the net amount has been transferred to the capital work-in-progress. The A.O. asked the explanation of assessee as to why the interest received from the Bank be not assessed as income under the Head "Income from other sources". The A.O. after considering explanation of assessee treated the entire interest income on FDR of Rs.2,39,21,156/- as income under the Head "Income from other sources". The assessee challenged the addition before the Ld. CIT(A) and several decisions were relied upon in support of the contention that it is not taxable. The Ld. CIT(A) found that he has decided similar issue in preceding A.Y. 2012-2013 and addition have been deleted. The Ld. CIT(A) following his order for A.Y. 2012-2013 deleted the addition.

3. The Ld. D.R. fairly stated that in preceding A.Y. 2012-2013 the Departmental Appeal have been dismissed by ITAT, Delhi F-Bench in ITA.No.5740/Del./2015 vide Order Dated 15.02.2019. Copy of the order is placed on record.

4. Considering the above facts, it is clear that issue is covered by the Order of ITAT, Delhi F-Bench in the case of same assessee for preceding A.Y. 2012-2013 whereby the findings of the Ld. CIT(A) have been upheld by dismissing the Departmental Appeal. Following the same Order, we do not find any merit in the Departmental Appeal and the same is accordingly dismissed.

5. In the result, appeal of Department dismissed.

Order pronounced in the open Court.

Sd/-
(B.R.R. KUMAR)
ACCOUNTANT MEMBER

Sd/-
(BHAVNESH SAINI)
JUDICIAL MEMBER

Delhi, Dated 2nd September, 2019

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	CIT(A) concerned
4.	CIT concerned
5.	D.R. ITAT "E" Bench
6.	Guard File

//By Order//

Asst. Registrar : ITAT : Delhi Benches : Delhi.

Date of dictation	14.08.2019
Date on which the typed draft order is placed before the dictation Member	14.08.2019
Date on which the approval draft comes to the Sr. PS	02.09.2019
Date on which the fair order is placed before the Dictation member for pronouncement	02.09.2019
Date on which the fair order comes back to the Sr. P.S.	02.09.2019
Date on which the final order is uploaded on the website of ITAT	02.09.2019
Date on which the file goes to the Bench Clerk	03.09.2019
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order.	