

आयकर अपीलीय अधिकरण, "बी" न्यायपीठ, चेन्नई  
IN THE INCOME-TAX APPELLATE TRIBUNAL 'B' BENCH, CHENNAI  
श्री धुव्वुरु आर.एल रेड्डी, न्यायिक सदस्य एवं श्री एस जयरामन, लेखा सदस्य के समक्ष  
Before Shri Duvvuru RL Reddy, Judicial Member &  
Shri S. Jayaraman, Accountant Member

आयकर अपील सं./I.T.A. No.04/Chny/2019  
निर्धारण वर्ष/Assessment Year:2014-15

M/s. Clarity Magnetic Resonance  
Imaging Centre Pvt. Ltd., No. 163,  
Gokale Street, Ramnagar,  
Coimbatore 641 009.  
**[PAN: AABCC2122P]**

The Assistant Commissioner of  
Income Tax,  
Corporate Circle 2,  
Coimbatore.

(अपीलार्थी /Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri A. Arjunaraj, C.A.  
प्रत्यर्थी की ओर से/Respondent by : Shri Suresh Periasamy, JCIT  
सुनवाई की तारीख/ Date of hearing : 10.11.2020  
घोषणा की तारीख /Date of Pronouncement : 27.11.2020

**आदेश /O R D E R**

**PER DUVVURUL RL REDDY, JUDICIAL MEMBER:**

This appeal filed by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals) 1, Coimbatore dated 05.12.2018 relevant to the assessment year 2014-15. The only effective ground raised in the appeal of the assessee is relating to confirmation of disallowance of depreciation amounting to ₹.16,26,494/- claimed towards CT Scanner.

2. Brief facts of the case are that the assessee filed its return of income for the assessment year 2014-15 on 30.09.2014 declaring income at

₹.95,07,700/-. The return filed by the assessee was selected for scrutiny. Against statutory notices, the assessee furnished the details as called for. After considering the submissions and accounts of the assessee, the Assessing Officer completed the assessment under section 143(3) of the Income Tax Act, 1961 ["Act" in short] by assessing total income of the assessee at ₹.1,13,91,337/- after making various disallowances. On appeal, the Id. CIT(A) partly allowed the appeal by confirming the disallowance of depreciation claimed by the assessee.

3. On being aggrieved, the assessee is in appeal before the Tribunal. By filing various decision of the Tribunal, the Id. Counsel for the assessee has submitted that the depreciation claimed of 40% towards CT Scanner, being a life-saving instrument, should be allowed in view of the decisions of the Tribunal. On the other hand, the Id. DR supported the orders of authorities below.

4. We have heard both the sides, perused the materials available on record and gone through the orders of authorities below including copy of the orders of the Tribunal filed by the assessee. The Assessing Officer has observed that the assessee has purchased CT Scanner from Wipro Ge Healthcare Pvt. Ltd. for an amount of ₹.65,05,973/- and claimed 40% depreciation amounting to ₹.26,02,389/-. Since the CT Scanner is not covered

under any of the equipment mentioned in Part-A-III-Machinery and Plant-3(xia) in New Appendix-I of the Income Tax Rules, 1961, the Assessing Officer rejected the claim of 40% depreciation on CT Scanner and allowed depreciation at 15% and the difference was brought to tax. On appeal, the Id. CIT(A) confirmed the disallowance made by the Assessing Officer. Before us, the point at issue is whether the assessee is entitled to claim depreciation on CT Scanner at 40% or 15%. Similar issue was subject matter in appeal before the Tribunal in the case of ACIT v. Bharat Scans Pvt. Ltd. in I.T.A. No. 1300(Mds)/2013 dated 13.02.2014, wherein, the issue was decided in favour of the assessee by observing as under;

*“3. The assessee has claimed higher amount of depreciation on PET/CT scan claiming it to be lifesaving medical equipment. This issue has been considered by the Commissioner of Income Tax (Appeals) in a very detailed manner in the light of the technical and medical details furnished before her. On going through the detailed discussion regarding the nature and use of PET/CT scan, we do not have any doubt to uphold the order of the Commissioner of Income Tax (Appeals). The PET/CT scan is very much used in the treatment of cancer. The PET/CT scan gives both anatomic and metabolic information to assess the present condition of cancer growth in a patient. This instrument is useful not only in detecting cancer but also in treating the cancer by making a proper assessment of the condition of the patient. The PET/CT scan is also very essential in assessing the condition of patients suffering from cancer even at the advanced stage. This imaging technology is used not only in the treatment of cancer but also in the treatment of heart diseases and neurological diseases, as the PET/CT scan delivers the condition of vascular system of a patient.*

*4. In these circumstances, we uphold the order of Commissioner of Income Tax (Appeals). The PET/CT scan is entitled for higher rate of depreciation at 40%.*

4.1 By following the above decision, in the case of H.L.G. Memorial Hospital P. Ltd. v. ACIT in I.T.A. No. 2005/Kol/2018 dated 19.06.2019, the Kolkata Benches of the Tribunal has directed the Assessing Officer to allow depreciation @ 40% on CT Scanner machine. The Id. DR could not controvert the above findings of the Tribunal. Respectfully following the above decisions, we direct the Assessing Officer to allow depreciation @ 40% on CT Scanner.

5. In the result, the appeal filed by the assessee is allowed.

Order pronounced on the 27<sup>th</sup> November, 2020 at Chennai.

Sd/-  
(S JAYARAMAN)  
ACCOUNTANT MEMBER

Sd/-  
(DUVVURUL RL REDDY)  
JUDICIAL MEMBER

Chennai, Dated, the 27.11.2020

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to: 1. अपीलार्थी/Appellant, 2. प्रत्यर्थी/ Respondent, 3. आयकर आयुक्त (अपील)/CIT(A), 4. आयकर आयुक्त/CIT, 5. विभागीय प्रतिनिधि/DR & 6. गार्ड फाईल/GF.