

आयकर अपीलीय अधिकरण
मुंबई पीठ "ई"
श्री विकास अवस्थी, न्यायिक सदस्य के समक्ष एवं
श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष
IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "E", MUMBAI
BEFORE SHRI VIKAS AWASTHY, JUDICIAL MEMBER &
SHRI MANOJ KUMAR AGRAWAL, ACCOUNTANT MEMBER.

आअसं.1961/मुं/2020 (नि.व.2014-15)
ITA NO. 1961/MUM/2020(A.Y.2014-15)
आअसं.1962/मुं/2020 (नि.व.2016-17)
ITA NO. 1962/MUM/2020(A.Y.2016-17)

ACIT-3(2)(1),
Room No.674, 6th Floor,
Aaykar Bhavan, M.K.Road,
MK Road, Mumbai 400 020

: अपीलार्थी/ **Appellant**

बनाम/ Vs.

M/s. State Street Syntel Services Pvt. Ltd.,
B-101-104, Delphi,
Hiranandani Business Park,
Powai, Mumbai 400 096
PAN: AAICS-0964-Q

: प्रत्यर्थी/ **Respondent**

Revenue by : Shri Sanjay Kashyap
Assessee by : None
सुनवाई की तारीख/
Date of Hearing : 30/09/2021
घोषणा की तारीख /
Date of Pronouncement : 30/09/2021

आदेश/ ORDER

PER VIKAS AWASTHY, J.M:

These two appeals by the Revenue are directed against the order of Commissioner of Income Tax (Appeals)-18, Mumbai (in short 'the CIT(A)') for assessment year 2014-15 and 2016-17, respectively. Both the impugned orders are of even date i.e. 18/02/2020.

2. Since, identical grounds have been raised by the Revenue in both the appeals, these appeals are taken up together for adjudication and are decided by this common order.

ITA NO.1961/MUM/2020-A.Y.2014-15:

3. The Revenue has raised following grounds of appeal:

“1. Whether on the facts and circumstances of the case and in law, the Hon'ble CIT(A) was justified in their finding that the interest income earned by the assessee would tantamount to profits and gains derived from the export of such article (or) thing and therefore would qualify for deduction u/s 10AA of the Act?

2. The appellant prays that the order of CIT(A) on the above grounds be set aside and that of Assessing Officer be restored.”

4. Shri Sanjay Kashyap representing the Department submitted that the assessee is engaged in providing Information Technology Enable Services(ITES). The assessee claimed deduction under section 10AA of the Income Tax Act, 1961 (in short 'the Act') in respect of its Special Economic Zone(SEZ) Units. During the course of assessment proceedings the Assessing Officer observed that the assessee has claimed deduction under section 10AA of the Act on interest income treating it as profits derived from export of eligible services. The Assessing Officer disallowed assessee's claim of deduction under section 10AA of the Act in respect of aforesaid interest income. Against the assessment order dated 26/12/2016 passed under section 143(3) of the Act, the assessee filed appeal before the CIT(A). The CIT(A) allowed assessee's claim by following the order of Tribunal in assessee's own case in ITA NO.7610/Mum/2011 for assessment year 2007-08 decided on 06/01/2016. However, Id. Departmental Representative vehemently supported the assessment order.

5. Submissions made by Id. Departmental Representative heard, orders of orders of authorities below examined. We find that the issue raised in present appeal by the Revenue is perennial. In assessment year 2007-08, the issue was decided by the CIT(A) in favour of the assessee. The Revenue carried the issue in appeal before the Tribunal. The Co-ordinate Bench in ITA No.7610/Mum/2011(supra), after considering the facts concluded that the interest income earned by the assessee had direct nexus with the assessee's ITES business, hence, eligible for deduction under section 10A of the Act. Similar issue had cropped up in assessments years 2008-09 to 2012-13. The CIT(A) decided the issue in favour of assessee. The Department unsuccessfully agitated the issue in appeal before the Tribunal. Taking a consistent view the Tribunal allowed assessee's claim of deduction under section 10AA of the Act on interest income by following earlier orders in assessee's own case.

We find no infirmity in the order of CIT(A) in granting relief to the assessee by following the order of Tribunal in assessee's own case in preceding assessment years. No contrary decision or distinction in facts in the impugned assessment year has been brought to our notice by the Id. Departmental Representative. The impugned order warrants no interference, hence, the same is upheld and the appeal of the Revenue is dismissed being devoid of any merit.

ITA NO.1962/MUM/2020, A.Y.2016-17:

6. The Id. Departmental Representative fairly admitted that the issue rised in assessment year 2016-17 is identical to the one raised in assessment year 2014-15.

7. We find that the issue germane to the grounds raised in assessment year 2006-17 is identical to the one decided earlier by the Tribunal in assessee's own case in preceding assessment years including the one decided by us in appeal by the Revenue for assessment year 2014-15, herein above. For parity of reasons appeal of the Revenue for assessment year 2016-17 is dismissed being devoid of any merit.

8. To sum up, both appeals by the Revenue are dismissed.

Order pronounced in the open Court on Thursday, the 30th day of September, 2021.

Sd/-

(MANOJ KUMAR AGRAWAL)

लेखा सदस्य/ACCOUNTANT MEMBER

Sd/-

(VIKAS AWASTHY)

न्यायिक सदस्य/JUDICIAL MEMBER

मुंबई/ Mumbai, दिनांक/Dated: 30/09/2021

Vm, Sr. PS(O/S)

प्रतिलिपि अग्रेषितCopy of the Order forwarded to :

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकर आयुक्त(अ)/ The CIT(A)-
4. आयकर आयुक्त CIT
5. विभागीय प्रतिनिधि, आय.अपी.अधि., मुंबई/DR, ITAT,
Mumbai
6. गार्ड फाइल/Guard file.

BY ORDER,

//True Copy//

(Dy./Asstt. Registrar)
ITAT, Mumbai