

IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad ‘ A ‘ Bench, Hyderabad
(Through Video Conferencing)

Before
Shri A. Mohan Alankamony, Accountant Member
AND
Shri S.S. Godara, Judicial Member

ITA No.410/Hyd/2021		
Assessment Year: 2014-15		
M/s. Unicorn Industries Pvt. Ltd., Hyderabad – 500003. PAN : AAACU3501D.	Vs.	The Deputy Commissioner of Income Tax, Circle 17(2), Hyderabad.
(Appellant)		(Respondent)
Assessee by:		Sri A.V. Raghuram
Revenue by:		Sri T. Sunil Goutam
Date of hearing:		06/12/2021
Date of pronouncement:		07/12/2021

ORDER

Per S. S. Godara, J.M.

This assessee’s appeal for A.Y 2014-15 arises from the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi’s order dated 21.09.2021 in case No.ITBA/NFAC/S/250/2021-22/1035761358(1) involving proceedings under section 250 of Income Tax Act, 1961 (in short, “the Act”).

Heard both the parties. Case file perused.

3. Coming to the assessee's sole substantive grievance that both the lower authorities have erred in law and on facts in disallowing its depreciation relief of Rs.7,64,709/- claimed in respect of plant and machinery thereby restricting it @ 15% only since the assets had been put to use for less than 180 days in preceding A.Y. 2013-14, we note with the able assistance coming from both the parties that this is an instance of the Assessing Officer having accepted the corresponding relief in section 143(3) assessment on 29.11.2016.

4. There is hardly any dispute about the fact that the Assessing Officer thereafter invoked section 154 jurisdiction seeking to disallow the impugned depreciation claim by treating it as an information coming to his notice during verification. We make it clear that there is no rebuttal to the clinching fact about assessee's impugned claim pertains to assets put to use for less than 180 days in the preceding assessment year. We hold in these factual circumstances that such an issue is not in the nature of an apparent mistake attracting section 154 rectification of mistake as held in hon'ble apex court's landmark decision in T.S. Balram Vs M/s. Volkart Brothers (1971) 82 ITR 50 (SC). Their lordships hold that a rectification is not meant to correct the alleged mistakes requiring long drawn process of enquiry. We accordingly delete the impugned additional depreciation disallowance going by the very reasoning only.

5. This assessee's appeal is allowed in above terms.

Order pronounced in the Open Court on 7th December, 2021.

Sd/- (A. MOHAN ALANKAMONY) ACCOUNTANT MEMBER	Sd/- (S.S. GODARA) JUDICIAL MEMBER
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Hyderabad, dated 7th December, 2021.

TYNM/sps

Copy to:

S.No	Addresses
1	M/s. Unicorn Industries Pvt. Ltd., Survey No.131, Kandlakoi Village, Medchal Mandal, R.R. District, Hyderabad – 500003.
2	The Deputy Commissioner of Income Tax, Circle 17(2), Hyderabad.
3	Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi.
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order