

**IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "A" MUMBAI**

**BEFORE MS. SUCHITRA RAGHUNATH KAMBLE (JUDICIAL MEMBER) AND
SHRI PRASHANT MAHARISHI (ACCOUNTANT MEMBER)**

**ITA No.1665/MUM/2020
(Assessment Year: 2013-14)**

Deputy Commissioner of Income
Tax, CC-7(2),
Room No. 655, Aayakar Bhavan,
M.K. Road, Mumbai- 400 020

M/s Anchor Health & Beauty
Care Private Limited,
201-C Innova, Marathon
Nextgen, Off. Ganpatrao Kadam
Marg Lower Parel,
Mumbai – 400 013

PAN No. AAACA4990N

(Revenue)

(Assessee)

Assessee by : Shri M. Subramanian, A.R
Revenue by : Shri Mehul Jain, D.R

Date of Hearing : 16/12/2021
Date of pronouncement : 16/12/2021

ORDER

PER SUCHITRA RAGHUNATH KAMBLE, J.M:

This appeal is filed against the order dated 21.02.2020 passed by the CIT(A)-49, Mumbai for assessment year 2013-14. The revenue has raised before us the following grounds:

- “1. On the facts and circumstances of the case and in law, the CIT(A) has erred in directing that all the expenses have to be apportioned between the Sale of manufactured products and Sale of trading goods on the basis of the Sales Turnover for the purpose of working out deduction u/s. 80IC of the Act without appreciating the fact that depreciation mainly pertains to the manufacturing unit and has to be adjusted against the profit on sale of manufactured goods.
2. On the facts and circumstances of the case and in law, the CIT(A) has erred in directing that all the expenses have to be apportioned between the Sale of manufactured products and Sale of trading goods on the basis of the Sales Turnover for the purpose of working out deduction u/s. 80IC of the Act without appreciating the fact that depreciation mainly pertains to Plant & Machinery of the

Manufacturing Unit, and apportioning the same on the basis of Sales Turnover will present an unrealistic picture as there is gross difference between the Sales Turnover of leading Goods, amounting to Rs.23.58 crores,viz-a-viz the Sales Turnover of the Manufactured Goods, amounting to Rs.305.89 crores."

2. The assessee is a private limited company engaged in the business of manufacturing of toothpaste, tooth powder, tooth brush, soap at their unit at Haridwar and is also engaged in trading of the same goods. During the year, the assessee claimed the deduction u/s 80IC of the Income Tax Act, 1961 amounting to Rs.7,82,47,342/- which were reduced by the AO in the assessment order dated 23.03.2016.
3. Being aggrieved by the assessment order the assessee filed the appeal before the CIT(A) the CIT(A) partly allowed the appeal of the assessee.
4. The Id. D.R submitted that the issue is covered against the department by the decision of the Tribunal in assessee's own case vide order dated 16.09.2019 being ITA No. 1050/Mum/2016 for A.Y. 2009-10 and ITA No 1051/Mum/2016 for A.Y. 2010-11.
5. The Id. A.R reiterated the submissions of the Id. A.R.
6. We have heard both the parties and perused all the relevant material available on record. It is pertinent to note that the facts are identical in the present assessment year as the assessee's explanation with regard to claim of deduction u/s 80IC is identical to that of earlier years. The assessing officer also on the same footing disallowed the claim of the assessee in the present assessment year. Therefore, following the decision of the Tribunal in the assessee's own case we are dismissing the appeal of the revenue.

7. In the result, the appeal of the revenue is dismissed.

Order pronounced in the open court on 16.12.2021

Sd/-
(Prashant Maharishi)
Accountant Member

Sd/-
(Suchitra Raghunath Kamble)
Judicial Member

Place: Mumbai

Date 16.12.2021

PS. Rohit

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त(अपील) / The CIT(A)-
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण DR, ITAT, Mumbai
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//
आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण/ ITAT, Bench, Mumbai.