

आयकर अपीलीय अधिकरण, जयपुर न्यायपीठ, जयपुर
IN THE INCOME TAX APPELLATE TRIBUNAL,
JAIPUR BENCHES, "SMC" JAIPUR

श्री संदीप गोसाई, न्यायिक सदस्य एवं डा० मीठा लाल मीना, लेखा सदस्य के समक्ष
BEFORE: SHRI SANDEEP GOSAIN, JM & DR MITHA LAL MEENA, AM

आयकर अपील सं./ITA No. 738/JP/2023
निर्धारण वर्ष / Assessment Year : 2017-18

M/s. Savitri Leasing & Finance Ltd. Power House Road, Bani Park Jaipur 302 016	बनाम Vs.	The ITO Ward 4(2) Jaipur
स्थायी लेखा सं./जीआईआर सं./PAN/GIR No.: AADCS 5145G		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओर से / Assessee by : Shri S.L. Poddar, Advocate
राजस्व की ओर से / Revenue by: Mrs. Monisha Choudhary, Addl CIT-DR

सुनवाई की तारीख / Date of Hearing : 30/01/2024
उदघोषणा की तारीख / Date of Pronouncement: 10/04/2024

आदेश / ORDER

PER: SANDEEP GOSAIN, JM

This appeal filed by the assessee is directed against order of the Id. CIT(A)-4, Jaipur dated 15-11-2023 for the assessment year 2017-18 wherein the assessee has raised the following grounds of appeal.

“1. On the facts and in the circumstances of the case and in law, the learned CIT(A) has erred in confirming the order of the Learned Assessing Officer in determining income at Rs. 4043060/- as against returned loss of Rs. 14,58,716/- and thereby wrongly upholding addition of Rs. 55,01,776/-.

2 On the facts and in the circumstances of the case and in law, the Learned CIT(A) has erred in not allowing unabsorbed depreciation without appreciating the facts of the case.

3 On the facts and in the circumstances of the case and in law, the Learned CIT(A) has erred in not accepting the returned business loss of Rs.14,58,716/- (carried forward) and unabsorbed depreciation of Rs. 15,57,319/- (carried forward) as disclosed by the assessee in the original return.

4 On the facts and in the circumstances of the case and in law, the Learned CIT(A) has erred in not accepting the plea of the assessee that there was no claim of depreciation against income from house property and hence, no double deduction of depreciation was claimed against business income as well as against income from house property.

2.1 Apropos Ground No. 1 to 4 of the assessee, the ld. CIT(A) has dismissed the appeal of the assessee by observing as under:

“6.6 The appellant has repeatedly claimed in the reply that the depreciation has not been claimed and has submitted the computation of income. However from the perusal of the computation it is seen that the appellant has claimed the current year depreciation has unabsorbed depreciation and carried it forward so the claim of the appellant that the depreciation has not been claimed is not factually correct. The notice of enhancement was issued with respect to depreciation on air conditioners however from the reply of the appellant it is seen that the depreciation is not on air conditioners but on other common assets used both for business income and also for earnings rental income. The appellant has given the reply on the issue of depreciation against the enhancement on merits on the facts of the case. The issue of enhancement is being decided on the basis of the facts submitted by the appellant. Earlier, the facts and replies submitted by the appellant in the appeal proceedings are not on the facts of the case and has also raised an issue in ground of appeal no. 2 which is not emanating from the assessment order.

6.7 The learned assessing officer in the assessment order has held that the proportionate expenses pertaining to the earning of rental income are not allowable to the appellant and this stand is as per the revised computation submitted by the appellant himself during the assessment proceedings. It is undeniable fact that the depreciation on the assets is also an expense in the computation of income and in case it has not been claimed only because of the reason that it has been carried forward as unabsorbed depreciation in such a scenario the proportionate depreciation allocable to / pertaining to the income from house property will not be eligible for carry forward following the same approach adopted in the assessment order. This issue is interlinked and emanating from the revised computation submitted by the appellant to the assessing officer and also to the findings of the assessing officer in the assessment order and it can be said that the depreciation was overlooked inadvertently by the Id AO as the same was only carried forward and not expressly reduced in the computation of income whereas in the assessment order that learned assessing officer has referred to the depreciation in the context of double deduction / which needs to be disallowed. As per the revised computation submitted by the appellant after the inquiry by the learned officer which is mentioned in the order the loss from business is 1,02,11,023 whereas the loss from business head as per the revised re of income (filed on 26-12-2017) is Rs. 1,42,73,092. In view of this, the proportionate amount of depreciation (in the same proportion in which all other expenses have be disallowed) is not allowed to be carried forward as unabsorbed depreciation assessment is enhanced accordingly. The penalty proceedings u/s 270A(9) are initiated on the enhancement for misreporting of income by suppression of facts and the same shall be included in or clubbed with the penalty proceedings which were initiates by the assessing officer in the assessment order. Reference in this regard is also made to section 275(1A) of the Act. Before parting it is stated that even though the claimed modified ground of appeal number 1 of the appellant has not been admitted, without prejudice, it is stated that the ground raised by the appellant stands covered by the above detailed discussion and the ground of appeal number 1 raised by the appellant stands answered accordingly against the appellant.

7. Additional claims submitted by the appellant.

The appellant has submitted in this regard as under-

"During the year under consideration, the assessee has paid lease rent to JDA Rs.3,78,283/- and has also paid UD tax to Municipal Corporation of Rs. 2,20,505/- both totaling to Rs.5,98,788/- (378283+220505). Out of this, an amount of Rs. 1,59,038/ pertains to common area, hence, the claim against house property is restricted to Rs 4,39,750/- (598788-159038). In support of the above, receipts from JDA and Municipal Corporation are available on Paper Book Page No.83."

The appellant has raised the additional claim on the issue of lease rent and municipal taxes however the same is not seen to be arising from any disallowance from the assessment order. The assessment has been finalized by the Learned assessing officer as per the revised computation of income submitted by the appellant during the assessment proceedings and in such computation the issue of deduction of these expenses is already covered and thereby the cause for raising the additional claim on these aspects do not arise. Accordingly the above the additional claims are dismissed."

8. The last Ground of Appeal is that the appellant craves right to add, alter or amend any of the grounds of appeal.

8.1. The appellant has amended the Ground No. of appeal No. 1 & 2 which has been discussed and adjudicated by me in the above para. Accordingly, such mention by the appellant in its ground is treated as disposed off.

9. In the result, the appeal of the appellant is dismissed and assessment is enhanced."

2.2 During the course of hearing, the ld. AR of the assessee reiterated the same submissions as made before the ld. CIT(A) and also prayed to delete addition as ld. CIT(A) is not justified in confirming the action of the AO.

2.3 On the other hand, the ld DR relied upon the order of the ld. CIT(A).

2.4 We have heard both the parties and perused the materials available on record. In this case, it is noted that the assessee company is engaged in the business of leasing out its land and building and real estate development and construction. Further, the assessee company had earned rental income by letting out its premises during the year under consideration. The assessee company e-filed its return of income on 29-10-2017 declaring total loss at (-) Rs.14,58,716/- for the assessment year under consideration. The case of the assessee company was selected for scrutiny u/s 143(3) of the Act on the basis of CASS. Finally, the AO completed the assessment u/s 143(3) of the Act vide his order dated 31-12-1019 at a total income of Rs.40,43,040/- by making an addition of Rs.55,01,755/- in business income on the basis of revised computation filed by the assessee company. In first appeal, the ld. CIT(A) dismissed the appeal of the assessee. From the records, it is noted that the assessee furnished return declaring loss of Rs.14,58,516/- as well as unabsorbed depreciation of Rs.15,57,319/-. Copy of return and computation are available at PBP 1-7. It is also noted that during the course of assessment

proceedings, the AO issued show-cause on 04/09/2019 mentioning therein as under:-

"Para 2....it is worth-mentioning that when you have already claimed deduction u/s 24(a) of the Income Tax Act, 1961 against the rental receipts, then why are expenses being claimed on the same receipts in the profit and loss account. On perusal of computation as well it is clearly evident that you have not added the expenses attributable to rental income. You are claiming the benefit of standard deduction by showing majority of income under the head "income from house property" and at the same time claiming expenses on the same rental receipts in the P&L account."

"Para 3..It is imperative to mention that you can't be allowed to claim the benefits of deduction mentioned in the Act on the same amount twice. The provision of standard deduction of 30% of the Net Annual Value or rent is already provided in the Income Tax Act, 1961 in order to cover up for all the expenses pertaining to that part of income or rental income. Therefore, it is clear that when you were treating the rental receipts as income from house property, then no other expenses can be claimed except standard deduction of 30% as stipulated in the Act."

From the above, it indicates that the AO failed to appreciate the facts of the case in proper perspective. The assessee was deriving rental income against which expenditure of interest and deduction u/s 24(a) was claimed. No other expenditure as alleged by the AO was claimed either of depreciation or other expenditure. The assessee also derived income from Common Area Maintenance Charges disclosed under the head "Business or profession". However, even against these Common Area Charges, the assessee had not claimed any depreciation on building or on Air conditioners as alleged by the lower authorities. Therefore, the very basis of the show-cause notice was wrong. However, on account of the show-cause notice, the

assessee was misled and erroneously submitted a revised computation during the course of assessment proceedings computing income at Rs. 40,43,059/-. A copy of this computation submitted under letter dated 13/09/2019 is placed at Paper Book Page No.55-57. It is noted that the AO completed the assessment on 31/12/2019 determining income at Rs.40,43,060/- accepting the aforesaid revised computation submitted during the course of assessment proceedings but the action of the AO in assessing income at Rs.40,43,060/- was based on incorrect facts. It is also noted that the AO issued show-cause notice on 04/09/2019 without appreciating the computation of income filed along with the return of income which is scanned below :-

ITA NO. 738/JP/2023
SAVITRI LEASING FINANCE LTD VS ITO, WARD 4(2), JAIPUR

Name of Assessee	SAVITRI LEASING AND FINANCE LIMITED		
Address	D-91,,AMBABARI,,JHOTWARA ROAD,,Jaipur,RAJASTHAN,302023		
Status	Company(Domestic)	Assessment Year	2017-2018
Ward	ACIT CEN CIR 1(3), JAIPUR 4 (4)	Year Ended	31.3.2017
PAN	AADCS5145G	Incorporation Date	09/09/1986
Residential Status	Resident		
Particular of Business	Service Sector		
Method of Accounting	Mercantile		
A.O. Code	DLC-CC-065-03		
Original Return	29/10/2017	Serial No.	267163531291017
Last Year Return Filed On	23/09/2016	Serial No.:	460291431230916
Bank Name	Bank of Maharashtra, 4-A PARK STREET MI ROAD, 302001 ,MICR:302014002, A/C NO:60236030042 ,Type: Current ,IFSC Code: MAHB0000389		
Tele:	(0141)2369494 Mob:9414057156		

Computation of Total Income (revised)

Income from House Property (Chapter IV C) 12814376

ANAND FORT 3,INDRA PALACE,MALVIYA NAGAR,
JAIPUR(RAJASTHAN)

Tenant Name: FUTURES FIRST INFO SER. P. LTD., T &
T MOTORS, AMP

Annual Lettable Value 0

Rent Receivable 40190319

Higher of above

40190319

Annual Rental Value u/s 23

40190319

Less:

Deduction u/s 24(a)

12057096

INTEREST PAID

15318847

27375943

12814376

Income from Business or Profession (Chapter IV D)

-14273092

MS SAVITRI LEASING and FINANCE LTD. :-

profit as per profit and loss A/c

5039709

Add:

Depreciation Debited in P&L A/c

7288674

Interest Paid considered separately

15318847

Total

27647230

Less:

provision for deferred tax

1730003

Rent considered separately

40190319

Allowable depreciation is Rs. 1557319/- but restricted to
Rs. 0/- available profits.

41920322

-14273092

Gross Total Income

-1458716

ITA NO. 738/JP/2023
SAVITRI LEASING FINANCE LTD VS ITO, WARD 4(2), JAIPUR

NAME OF ASSESSEE : SAVITRI LEASING AND FINANCE LIMITED		A.Y. 2017-2018		PAN : AADCS5145G	
Code : SAV					
Gross Total Income as -ve figure is not allowed in return form.					0
Total Income					0
Round off u/s 288 A					0
Calculation for Mat					3309706
Profit as per part II of Schedule III			5039709		
<u>Less:</u>					
Deferred Tax Assets		1730003		1730003	
				3309706	
Tax calculated @ 18.5% on Book Profit is more hence tax is calculated u/s 115JB					
Tax Due			612296		
Educational Cess			18369		
			630665		
T.D.S.			4312696		
			-3682031		
Refundable (Round off u/s 288B)			3682030		
T.D.S./ T.C.S. From					
Non-Salary(as per Annexure)	4312696				
Statement of Tax credit of MAT					
1a. Tax Payable on deemed total income under section 115JB			612296		
b. Surcharge on (a) above			0		
c. Education cess on (a+b) above			18369		
d. Total Tax Payable u/s 115JB (1a+1b+1c)					630665
2a. Tax Payable on Total Income			0		
b. Surcharge on 2a			0		
c. Education cess on (2a+2b)			0		
d. Gross tax liability (2a + 2b + 2c)			0		0
3. Amount of MAT liability available for credit in subsequent assessment years(1d-2d)					630665
Assessment Year	Brought Forward	Set off	Carried Forward		
2013-2014	288447	0	288447		
2017-2018					
Total	288447	0	919112		
Statement of Current Year Loss Adjustment					
Head/Source of Income	Current Year Income	House Property Loss of the Current Year Set off	Business Loss of the Current Year Set off	Other Sources Loss of the Current Year Set off	Current Year Income Remaining after Set off
Loss to be adjusted					
House Property	12814376		15830411		
Business	NIL	NIL	12814376	NIL	NIL
Speculation Business	NIL	NIL		NIL	NIL
Short term Capital Gain	NIL	NIL	NIL	NIL	NIL
				NIL	NIL

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ITA NO. 738/JP/2023
SAVITRI LEASING FINANCE LTD VS ITO, WARD 4(2), JAIPUR

NAME OF ASSESSEE : SAVITRI LEASING AND FINANCE LIMITED A.Y. 2017-2018 PAN : AADGS51459					
Code : SAV					
Long term Capital Gain	NIL	NIL	NIL	NIL	NIL
Other Sources	NIL	NIL	NIL	NIL	NIL
Total Loss Set off		NIL	12814376	NIL	
Loss Remaining after set off		NIL	3016036	NIL	

Statement of Business losses Brought/Carried Forward of M/S SAVITRI LEASING and FINANCE LTD. :-			
Assessment Year	Brought Forward	Set off	Carried Forward
2011-2012(30/09/2011)	689208	0	689208
2014-2015(04/11/2014)	2864682	0	2864682
2015-2016(27/09/2015)	3486158	0	3486158
2016-2017(23/09/2016)	522312	0	522312
Current Year Loss			1458716
Total	7562360	0	9021076

Statement of House Property losses Brought/Carried Forward			
Assessment Year	Brought Forward	Set off	Carried Forward
2010-2011(30/09/2010)	7100458	0	7100458
2011-2012(30/09/2011)	5543818	0	5543818
Total	12644276	0	12644276

Statement of Unabsorbed Depreciation Brought/Carried Forward of M/S SAVITRI LEASING and FINANCE LTD. :-			
Assessment Year	Brought Forward	Set off	Carried Forward
2011-2012(30/09/2011)	252778	0	252778
2014-2015(04/11/2014)	223691	0	223691
2015-2016(27/09/2015)	937804	0	937804
2016-2017(23/09/2016)	1827156	0	1827156
Current Year Loss			1557319
Total	3241429	0	4798748

Details of Depreciation M/S SAVITRI LEASING and FINANCE LTD. :-										
Particulars	Rate	Opening	More Than 180 Days	Less Than 180 Days	Total	Sales	Sales Less Than 180 days	Balance	Depreciation (Short Gain)	WDV Closing
TYPEWRITER	15%	106	0	0	106	0	0	106	16	90
Furniture and Fitting including	10%	41763	0	0	41763	0	0	41763	4176	37587
CAR	15%	10056342	0	0	10056342	0	0	10056342	1508451	8547891
OFFICE EQUIPMENT	15%	14659	0	0	14659	0	0	14659	2199	12460
OFFICE BUILDING	10%	405509	0	0	405509	0	0	405509	40551	364958
Computer	60%	6	0	0	6	0	0	6	4	2
Motor cycle	15%	12812	0	0	12812	0	0	12812	1922	10890
Total		10531197	0	0	10531197	0	0	10531197	1557319	6973878

ACCOUNT NO. OF THE ASSESS HAS BEEN CHANGED. DUE TO THIS CHANGE RETURN IS REVISED.

Details of T.D.S. on Non-Salary(26 AS Import Date:13 Oct 2017)

The perusal of the aforesaid computation of income reveals that the rental income has been computed as under :-

b. Rent	Rs.4,01,90,319/-
Less :	
(i) Deduction u/s 24(a)	Rs.12057096
(ii) Interest paid which Pertains to lease out building	<u>Rs.1,53,18,847</u>
	<u>Rs.2,73,75,943/-</u>
<u>Net income from house property</u>	Rs. 1,28,14,376/-

Thus, it is apparent that assessee has claimed only allowable expenditure under the provisions of Sec. 24 against income from rent. These expenses are statutory deduction @ 30% and interest paid by the assessee. Therefore, the claim of the assessee against rental income is in order. The AO was of the view that against receipts of common area maintenance, the assessee had wrongly claimed depreciation repairs and maintenance expenditure on the same building against which rental income was disclosed and statutory deduction @ 30% was claimed. In the view of the AO, the assessee was availing 30% statutory deduction as well as other expenses under the head depreciation, repairs and maintenance. This perception of the AO does not hold good with reference to the computation of income filed by the assessee. We noted that no depreciation has been claimed on

the building from where rental income is received. The computation of income is as under which was attached with the return of income.

Income from business & profession

Net profit as per P&L a/c inclusive of rent as well as CAM	Rs.50,39,709/-	
Add :		
Depreciation	Rs.72,88,674/-	
Interest considered separately Considered against income from House property	<u>Rs.1,53,18,847</u>	
		<u>Rs.2,26,07,521/-</u>
		Rs.2,76,47,230
Less : Provision for deferred tax	Rs17,30,003	
Rental receipts considered Separately under the head Income from house property	<u>Rs.40190319</u>	
		<u>Rs.41920322</u>
	Net loss	<u>Rs.14273092</u>

After adjusting income of Rs.1,28,14,376/- under the head "income from house property", the resultant loss comes as under :-

Income under the head house property	Rs.1,28,14,376/-
Loss under the head income from business (-)	<u>Rs.1,42,73,092</u>
Net loss	<u>Rs.14,58,716/-</u>

We also noted that no depreciation has been claimed either against income from house property or against income from business and profession. Copy audit report, profit and loss account and supportings disclosing income of Rs. 50,39,709/- are available along with audited accounts. It is further noted that in

the audited accounts, the assessee had claimed depreciation as per Companies Act of Rs.72,88,674/-, which has been added back in the computation of income under the head "business and profession". Now while furnishing the return of income, the assessee claimed depreciation as per income tax act only of Rs.15,57,319/-. The details of these are as under as per chart, which is scanned below :-

Details of Depreciation M/S SAVITRI LEASING and FINANCE LTD. :-										
Particulars	Rate	Opening	More Than 180 Days	Less Than 180 Days	Total	Sales	Sales Less Than 180 days	Balance	Depreciation (Short Gain)	WDV Closing
TYPEWRITER	15%	106	0	0	106	0	0	106	16	90
Furniture and Fitting including	10%	41763	0	0	41763	0	0	41763	4176	37587
CAR	15%	10056342	0	0	10056342	0	0	10056342	1508451	8547891
OFFICE EQUIPMENT	15%	14659	0	0	14659	0	0	14659	2199	12460
OFFICE BUILDING	10%	405509	0	0	405509	0	0	405509	40551	364958
Computer	60%	6	0	0	6	0	0	6	4	2
Motor cycle	15%	12812	0	0	12812	0	0	12812	1922	10890
Total		10531197	0	0	10531197	0	0	10531197	1557319	8973878

The aforesaid chart discloses that major part of depreciation of Rs.15,08,451/- is on car and depreciation on office building is of Rs.40,551/- which establishes that the assessee has not claimed any depreciation on the entire building from which rent is derived. It is also noted that no depreciation has been claimed on Air conditioners (letter of CIT(A) dated 23/10/2023 and also no depreciation has been claimed on the building as alleged by the AO in para 3 of the assessment order. It is further noted that there being loss in the return of income of Rs.1458,716/-, there was no case for setting off the depreciation of Rs. 15,57,319/-. In these circumstances, while filing the return of income, the assessee has carried forward current year loss of Rs.14,58,716/- as well as current year unabsorbed depreciation

of Rs. 15,57,319/-. These facts are verifiable with reference to the computation sheets available with the return of income filed on 26/12/2017 and scanned above. The above position of facts very clearly establishes that the assessee had not claimed any depreciation on that part of building which was yielding rental income. Depreciation was claimed only of Rs.40,551/- on that part of building where office is maintained. Further, no depreciation was claimed on Air Conditioners. This was a wrong perception on the part of the Ld CIT(A) that the assessee had claimed depreciation on air conditioners. Further, the total claim of depreciation is only of Rs. 15,57,319/- which being unabsorbed was carried forward. It is noted that the mistake on the part of the AO as well as on the part of the Learned CIT(A) regarding observation of depreciation on building and air conditioners occurred on account of such figures worked out by the auditors in the audited accounts as per companies Act (Rs.72,88,674). A copy of this chart of depreciation is available (PB 52). It is in this chart that there is claim of depreciation on leased building of Rs. 25,46,235/-. However, these figures were not required to be taken into consideration by the AO as well as by the Ld. CIT(A) as the assessee had not claimed such expenditure while filing the return of income and had added back the same (Rs.72,88,674) in the computation of income. In view of these facts, it is clear that the AO as well as the Ld. CIT(A) were not justified in holding that there was double claim of expenditure against rental

income first by claiming deduction u/s 24(a) and later on claiming depreciation on the same building. In these circumstances, the order passed by the AO as well as the appellate order passed by the Learned CIT(A) are erroneous. Further, it is noted that ld. CIT(A) has erred in both in confirming the order of the AO as well as in denying the benefit of carry forward of current year depreciation of Rs. 15,57,319/-. We noticed that during the course of assessment proceedings, the AO issued show-cause notice dated 04/09/2019. In this notice that the AO objected to the claim of expenses of Rs.4,87,67,277/- in the profit and loss account on the ground that such expenditure was not allowable when deduction u/s 24(a) already stood claimed. The details of expenditure of Rs.4,87,67,277/- are as under as per audited P&L account :-

i. Interest Exp.	Rs. 1,60,70,054
(ii)Depreciation	Rs. 72,88,674
(iii)Other expenses (Administrative Exp.)	<u>Rs.2,54,08,549</u>
<u>Total</u>	<u>Rs.4,87,67,277/-</u>

It is noted that the assessee has claimed interest expenditure of Rs.1,53,18,847/- against rental receipts, which is in order. The remaining interest expenditure is pertaining to loan on car and office building. Thus, the claim of interest expenditure is not faulty in any way. As regards depreciation of Rs. 72,88,674/-, the same has been fully added back while computing income under the head "business and profession". Therefore, no further disallowance was called for on

account of it. The assessee has claimed depreciation as per Income Tax Act only on car and office building, both totaling to Rs.15,57,319/-, which being unabsorbed, was carried forward. The remaining item is only of other expenses under the head "administrative expenses etc" amounting to Rs. 2,54,08,549/-. The expenditure has been claimed against receipts from CAM charges of Rs.1,03,19,764/-. The main expenditure is as under out of Rs. 2,54,08,549/- :-

10. Director's salary	Rs. 13,80,000
11. Facility and management	Rs.34,36,503
12. Litigation	Rs,43,85,690
13. Power & electricity	Rs.47,67,569
14. Repairs & Maintenance	Rs.11,72,380
15. Security charges	Rs.15,85,909
16. Tour and travelling	Rs.8,42,932
17. Brokerage	Rs.7,00,000
18. Bad debts	<u>Rs.14,53,757</u>
<u>Total</u>	<u>Rs.1,97,24,740</u>

The perusal of the aforesaid expenditure reveals that there is no claim of depreciation on AC or on building. The claim of expenditure on repairs is only of Rs. 11,72,380/-, which is reasonable looking to the common area maintained by the assessee. The AO has not assailed any other expenditure. In view of this, the revised computation submitted during the course of assessment proceedings was due to inadvertence and it required to be ignored. However, the AO completed the assessment as per revised computation filed during the course of assessment

proceedings, which was erroneous and faulty. Thus, the assessment completed by the AO was not required to be sustained by the Ld. CIT(A). The Ld. CIT(A) should have allowed the assessee to carry forward the current year unabsorbed depreciation of Rs. 15,57,319/- and current year loss of Rs. 14,58,716/-. Hence, from the above facts and circumstances of the case, we do not concur with the findings of the ld. CIT(A) and thus the appeal of the assessee is allowed.

4.0 In the result, the appeal of the assessee is allowed.

Order pronounced in the open court on 10 /04/2024.

Sd/-

Sd/-

(डा० मीठा लाल मीना)
(Dr. Mitha Lal Meena)
लेखा सदस्य / Accountant Member

(संदीप गोसाईं)
(Sandeep Gosain)
न्यायिक सदस्य / Judicial Member

जयपुर / Jaipur

दिनांक / Dated:- 10/04/2024

*Mishra

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

1. The Appellant- M/s. Savitri Leasing Finance Ltd., Jaipur
2. प्रत्यर्थी / The Respondent- The ITO, Ward 4(2), Jaipur
3. आयकर आयुक्त / The ld CIT
4. आयकर आयुक्त(अपील) / The ld CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur
6. गार्ड फाईल / Guard File (ITA No. 738/JP/2023)

आदेशानुसार / By order,

सहायक पंजीकार / Asstt. Registrar