

**IN THE INCOME TAX APPELLATE TRIBUNAL  
BANGALORE BENCH 'SMC', BANGALORE**

**BEFORE SHRI A.K.GARODIA, ACCOUNTANT MEMBER**

**ITA No. 1420(Bang) 2016**

**(Assessment year : 2006 – 07)**

M/s Laxmi Polychem India Limited,  
C/O A. Raghavendra Rao & Associates,  
Chartered Accountants,  
Vakil Chawl,  
Gadag - 582101

**PAN : AAACL6249F**

Appellant

Vs

The ACITO, Circle 2 (1),  
Hubli

Respondent

**Assessee by : None**

**Revenue by : Shri Naresh Saka, JCIT**

**Date of hearing : 20-09-2016**

**Date of pronouncement : 21-09-2016**

**ORDER**

**PER A. K. GARODIA, A.M.:**

This appeal is filed by the assessee. This is directed against the order of learned CIT (A), Hubli dated 31.03.2016 for A. Y. 2006 – 07.

2. The assessee has raised 2 grounds but the only grievance of the assessee is about penalty of Rs. 80,000/- imposed by the A.O. u/s 271 (1) (c) of the I. T. Act, 1961.

3. None appeared on behalf of the assessee in spite of date of hearing having been indicated in Acknowledgement cum notice issued to the assessee at the time of filing of appeal and there is not even any request for adjournment and hence, this appeal is heard ex parte qua the assessee. Learned DR of the revenue supported the order of CIT (A).

4. I have considered the facts of the case and gone through the orders of the lower authorities. As per the order of CIT (A), it is seen that it is noted by CIT (A) that written submissions filed before him are the same which were filed before the A.O. in penalty proceedings. I also find that in the penalty order, the A.O. has reproduced

the written reply dated 24.04.2010 filed by the AR of the assessee before him. As per the same, I find that there is no explanation about the claim of Set Off of Unabsorbed depreciation of Rs. 224,784/- relating to A. Y. 2001 – 02 in spite of this fact that such Unabsorbed depreciation of Rs. 224,784/- relating to A. Y. 2001 – 02 was already set off in A.Y. 2005 – 06 and how the non existing claim in the present year is a clerical error. The entire explanation is this that depreciation as per I T Rules was reduced and Depreciation as per books was not added back but facts are entirely different because as per the copy of revised computation made available on record, book depreciation of Rs. 477,903/- was very much added back by the assessee before claiming depreciation as per I T Rules Rs. 452,158/- and copy of original computation is not brought on record. But the returned income is Rs. 460,780/- as per the assessment order and assessed income is Rs. 738,483/- after disallowance of Rs. 52,920/-. Hence the net difference in the returned income and assessed income before this disallowance of Rs. 42,920/-, is Rs. 224,784/- being the amount of Unabsorbed depreciation of Rs. 224,784/- relating to A. Y. 2001 – 02. No submission is made in support of this contention that this claim is a clerical error. Hence, I feel that there is no infirmity in the orders of the authorities below and therefore, I decline to interfere.

5. In the result, the appeal of the assessee is dismissed.

Order pronounced in the open court on the date mentioned on the caption page.

**(A.K. GARODIA)**  
**ACCOUNTANT MEMBER**

Bangalore:  
D a t e d : .09.2016  
**am\***

**Copy to :**

- 1 Appellant
- 2 Respondent
- 3 CIT(A)-II Bangalore
- 4 CIT
- 5 DR, ITAT, Bangalore.
- 6 Guard file

By order,  
AR, ITAT, Bangalore

1.	Date of Dictation .....
2.	Date on which the typed draft is placed before the dictating Member .....
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4	Date on which the order is placed before the dictating Member for pronouncement .....
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12	The date on which the file goes to the dispatch section for dispatch of the Tribunal order.....
13	Date of dispatch of order.....