

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCHES "D" : MUMBAI

**BEFORE SHRI D. MANMOHAN, VICE PRESIDENT
AND
SHRI ANANDI LAL GEHLOT, ACCOUNTANT MEMBER**

ITA. No. 169/Mum/2010
Assessment year 2006-2007

Mr. Deven J. Mehta
Mumbai – 021
PAN AAPPM-2122C
(Appellant)

DCIT, Central Range-7
vs. Mumbai.
(Respondent)

For appellant : Shri Vijay Mehta
For respondent : Shri L.H. Agarwal

ORDER

PER D. MANMOHAN, V.P.

1. This appeal is filed at the instance of the assessee and it pertains to the assessment year 2006-2007. Though the assessee has raised three grounds, at the time of hearing it was submitted that ground No. 3 is general in nature and ground No. 2 is consequential to the income to be recomputed. Whereas ground No.1 is covered by the latest decision of the Hon'ble Bombay High Court in the case of Godrej & Boyce Mfg. Co. Ltd. Mumbai vs. DCIT, Range 10 (2), Mumbai (Income Tax Appeal No. 626 of 2001 dated August 12, 2010).

2. We have heard the learned DR in this regard and carefully perused the record. In the light of detailed discussion in the Order passed by the Hon'ble Bombay High Court (supra) we set aside ground No.1 to the file of the Assessing Officer with a direction to provide the assessee a reasonable opportunity of producing its account etc., to re-determine the expenditure in relation to the dividend income. Upon re-

determination of the same the Assessing Officer is directed to reconsider the issue of chargeability of interest under section 234B of the Act.

3. In the result, appeal filed by the assessee is treated as allowed for statistical purposes.

Order pronounced accordingly in the open Court on this the 23rd day of August, 2010.

Sd/-
(ANANDI LAL GEHLOT)
ACCOUNTANT MEMBER

Sd/-
(D.MANMOHAN)
VICE PRESIDENT

Mumbai, Date 23rd August, 2010

VBP/-

Copy to

1. Mr. Deven J. Mehta, 1401, Raheja Center, Nariman Point, Mumbai – 021 PAN AAPP-2122C
2. DCIT, (OSD-II), Central Range-7, Room No. 413, 4 th Floor, Aayakar Bhavan, M.K. Road, Mumbai – 020.
3. CIT(A)-40, Mumbai.
4. CIT, Central-II, Mumbai
5. DR “D” Bench
6. Guard File.

(TRUE COPY)

BY ORDER,

Asst.Registrar, ITAT, Mumbai.