**IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

ITA-198-2015 (O&M)
Date of decision:- 07.08.2015

The Pr. Commissioner of Income Tax-II, Ludhiana
...Appellant

Versus

M/s Happy Forgings Ltd.
...Respondent

**CORAM: HON'BLE MR. JUSTICE S.J. VAZIFDAR, ACTING CHIEF JUSTICE**
**HON'BLE MR. JUSTICE G.S. SANDHAWALIA**

Present: Ms. Savita Saxena, Advocate,
for the appellant.

* * * *

**S.J. VAZIFDAR, A.C.J. (ORAL)**

This is an appeal against the order of the Income Tax Appellate Tribunal dated 17.10.2014 setting aside the order of the CIT (Appeals) passed in revision under Section 263 of the Income Tax Act, 1961.

The matter pertains to the assessment year 2008-2009.

2. The respondent/assessee had claimed depreciation at 80%. The Assessing Officer raised various queries regarding the plant and machinery which were answered by the assessee. The assessee was called upon to justify the claim of depreciation at 80%. In respect of part of the plant and machinery, the Assessing Officer rejected the claim altogether. Ultimately, the Assessing Officer disallowed the depreciation claimed by the assessee at 80% and allowed the depreciation at 15%. Accordingly, the excess depreciation claimed by the assessee to the tune of ₹ 4,04,144/- was disallowed and added back to the income of the assessee. The benefit of depreciation, therefore, was only about ₹ 36,000/-. On this ground itself the appeal ought to be dismissed.

3. Thus, on merits, we do not see any reason to interfere with the order of the Tribunal. The question was whether the plant and machinery in respect whereof depreciation was claimed had been installed on the date from which the depreciation has been claimed. The Tribunal found that the machinery had been installed and was put to use on 29.03.2008. As the Tribunal rightly observed, the Assessing Officer had also considered the explanation of the assessee in regard to the acquisition, installation and use of the plant and machinery in detail. In this regard, the Assessing Officer raised various queries which were answered. There is no reason to presume that the Assessing Officer did not discharge his functions properly.

4. In these circumstances, no question of law arises.

5. The appeal is accordingly dismissed.

**(S.J. VAZIFDAR)**
**ACTING CHIEF JUSTICE**

**(G.S. SANDHAWALIA)**
**JUDGE**

**07.08.2015**
**Amodh**