IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO. 201 OF 2006

Shreyas K. Doshi ....Appellant

V/s.

Assistant Commissioner of
Income-Tax-16(3), Mumbai ....Respondent

* * * * *

Mr. Atul Jasani, Advocate for the appellant.

CORAM :- M.S. SANKLECHA, &
SANDEEP K. SHINDE, JJ.

DATE :- 21ST JUNE, 2018.

P.C. :-

1. This Appeal was admitted on 24th November, 2008 on the following substantial questions of law :

> *"1. Whether on the facts and in the circumstances of the case the notional interest on interest free security deposit was a relevant*

factor for determining fair rent for the purposes of section 23(1)(a) of the Act even though there is no such legislative intent and the income, which may arise out of deployment of such funds, is separately taxable ?

2. *Whether in any events, the Tribunal completely overlooked and failed to appreciate that the security deposit of Rs.1,50,00,000/- in respect of furniture had no connection whatsoever with the Annual Value of the flat ?*

3. *Whether the gross rent receivable as determined by municipality for arriving at the municipal valuable of the property for determination of property taxes payable ought not to be taken as annual value also for the purposes of section 23(1)(a) of the Act ?*

2. At the time of admission, the respondents had waived service. However, none appears today on its behalf.

3. Mr. Jasani, Learned Counsel appearing in support of the Appeal, states on instructions that he does

not press Question no.2.

4. So far as Questions no.1 and 3 are concerned, they stand concluded in favour of the appellant-assessee and against the respondent-Revenue by the decision of this Court in **Commissioner of Income Tax v. Tip Top Typography, [2014] 368 ITR 330 (Bom)**.

5. Appeal allowed in the above terms.

(SANDEEP K. SHINDE, J) **(M.S. SANKLECHA, J)**