

**IN THE INCOME TAX APPELLATE TRIBUNAL,
MUMBAI BENCH "G", MUMBAI**

**BEFORE SHRI PRAMOD KUMAR, VICE PRESIDENT AND
SHRI KULDIP SINGH, JUDICIAL MEMBER**

**ITA Nos.2053 & 2054/M/2020
Assessment Years: 2012-13 & 2013-14**

M/s. Grasim Industries Ltd. (Successor to Aditya Birla Nuvo Ltd.) Aditya Birla Centre, A Wing, 2 nd Floor, S.K. Ahire Marg, Worli, Mumbai – 400 030 PAN: AAACI1747H	Vs.	The DCIT 1(4), Room No.902, 9 th Floor, Old CGO Building, M.K. Road, Mumbai - 400020
(Appellant)		(Respondent)

Present for:

Assessee by : Shri Ronak Doshi, A.R.
Revenue by : Shri Harkamal Sohi Sandhu, D.R.

Date of Hearing : 04.01.2022
Date of Pronouncement : 14.01.2022

ORDER

Per Kuldip Singh, Judicial Member:

Aforesaid appeals bearing identical question of law and facts are being disposed of by way of composite order in order to avoid repetition of discussion.

2. Appellant M/s. Grasim Industries Ltd. (hereinafter referred to as the assessee) by filing aforesaid appeals sought to set aside the impugned orders of Commissioner of Income Tax (Appeals)

[hereinafter referred to as CIT(A)] dated 06.10.2020 & 21.10.2020 for A.Y. 2012-13 and 2013-14 respectively on identically worded grounds inter alia that;

“1. On the facts and in the circumstances of the case and in law, the learned CIT(A) erred in confirming the order of the learned AO in not allowing the interest u/s. 244A in accordance with the provisions of the Act.

2. On the facts and in the circumstances of the case and in law, the learned CIT(A) erred in confirming the order of the learned AO in not allowing the interest u/s. 244A of the Act upto the date of issue of refund cheque in terms of binding CBDT circular No. 20D (XXII-22) dated 20.08.1968 wherein instructions have been given for calculating interest upto the date of issue of refund voucher.

3. The Appellant craves leave to alter/ add/ modify/ amend any or all of the grounds of appeal, if need be.”

3. Briefly stated facts necessary for adjudication for the controversy at hand are that; assessee company is into the manufacturing of diversified products such as garments, textiles, insulators, fertilizers, viscose filament yarn, financial services etc. at different units located across the country.

4. Assessee company filed return of income at Rs.343,33,03,740/- & Rs.283,15,81,630/- under the normal provisions of the Income Tax Act (in short ‘the Act’) for A.Y. 2012-13 and A.Y. 2013-14 respectively and book profit of Rs.403,71,63,629/- & Rs.411,70,32,065/- under MAT provisions of the Act for A.Y. 2012-13 and A.Y. 2013-14 respectively. The grievance of the assessee company is that AO has granted short

interest to the tune of Rs.31,62,033/- and Rs.18,82,566/- for A.Y. 2012-13 & 2013-14 under section 244A of the Act respectively i.e. not upto the date of issuance of refund cheque.

5. The assessee carried the matter before the Ld. CIT(A) by way of filing appeal who has dismissed the same. Feeling aggrieved, the assessee has come up before the Tribunal by way of filing the present appeals.

6. We have heard the Ld. Authorised Representatives of the parties to the appeal, perused the order passed by the Ld. Lower Revenue Authorities in the light of the facts and circumstances of the case and case law relied upon.

7. Undisputedly, the Assessing Officer (in short 'AO') has granted interest of Rs.11,25,66,651/- under section 244A of the Act vide order dated 20.02.2019 under section 250 of the Act read with order dated 31.05.2019 under section 154 of the Act for A.Y. 2012-13 and for A.Y. 2013-14, the AO granted interest on refund to the tune of Rs.67,65,944/- under section 244A of the Act vide order dated 26.09.2018 read with order dated 31.05.2019 passed under section 154 of the Act. It is also not in dispute that AO has computed the interest under section 244A of the Act upto the date

of signing of notice of the demand and not upto the date of issuance of refund voucher to the assessee.

8. In the backdrop of the aforesaid undisputed facts, when we examine the grounds raised by the assessee in both the appeals the short question arises for determination in both the appeals is;

“As to whether the assessee is entitled for the interest on its refund upto the date of signing of the notice of demand as has been held by the Ld. CIT(A) or upto the date of issuance of refund voucher to the assessee?”

9. When we examine the provisions contained under section 244A of the Act, it has a categoric mandate that where refund of any amount becomes due to the assessee, he shall be entitled to receive, in addition to the refund amount, simple interest calculated in the manner prescribed in section 244A of the Act itself. Since the provisions contained under section 244A of the Act has no ambiguity whatsoever the assessee is entitled for the interest on its refund upto the date of issuance of the refund voucher.

10. This issue has already been examined and decided by the coordinate Benches of the Tribunal in favour of the assessee that assessee is entitled for interest on its refund upto the date of issuance of refund voucher in cases cited as Indo Gulf Corporation Ltd. vs. DCIT in ITA Nos.765 & 766/M/2015 for A.Ys. 1999-2000 & 2000-2001 order dated 18.09.2019, Indo Gulf Corporation Ltd. vs. ACIT, in ITA Nos.764 & 767/M/2015 for A.Ys. 1999-2000 &

2000-2001 order dated 20.01.2017, Indo Gulf Corporation Ltd. vs. DCIT, in ITA Nos.396 & 397/M/2011 for A.Ys. 1997-98 & 2002-03 & ITA Nos.419 & 420/M/2011 for A.Ys. 1997-98 & 2002-03 and Grasim Industries Ltd. vs. CIT in ITA Nos.1936 & 1937/M/2020 for A.Ys. 2014-15 & 2012-2013 order dated 16.12.2021.

11. In view of what has been discussed above, we are of the considered view that Ld. CIT(A) has erred in not granting the interest to the assessee on its refund upto the date of issuance of the refund voucher otherwise admissible as under section 244A of the Act and as such impugned orders under appeals are not sustainable in the eyes of law, hence set aside. The AO is directed to compute and grant the interest on the tax refund due to the assessee for A.Y. 2012-13 & 2013-14 upto the date of issuance of refund voucher in accordance with the provisions contained under section 244A of the Act. Resultantly, both the appeals filed by the assessee are allowed.

Order pronounced in the open court on 14.01.2022.

**Sd/-
(PRAMOD KUMAR)
VICE PRESIDENT**

**Sd/-
(KULDIP SINGH)
JUDICIAL MEMBER**

Mumbai, Dated: 14.01.2022.

Copy to: The Appellant
The Respondent
The CIT, Concerned, Mumbai
The CIT (A) Concerned, Mumbai
The DR Concerned Bench

//True Copy//

By Order

Dy/Asstt. Registrar, ITAT, Mumbai.