

आयकर अपीलिय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, CHENNAI

श्री महावीर सिंह, उपाध्यक्ष एवं श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष
BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT AND
SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.: **873/CHNY/2017**
निर्धारण वर्ष /Assessment Years: 2012-13

**M/s. Rajshree Sugars &
Chemicas Ltd.,**
"The Uffizi", 338, Avinashi
Road, Peelamedu,
Coimbatore – 641 004.

The DCIT,
v. Corporate Circle – 2,
Coimbatore.

PAN: AABCR 4179D

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by
प्रत्यर्थी की ओर से/Respondent by

: Shri R. Varadharajan
: Ms. Ann Mary Baby, CIT

सुनवाई की तारीख/Date of Hearing

: 23.02.2022

घोषणा की तारीख/Date of Pronouncement

: 25.02.2022

आदेश /O R D E R

PER MAHAVIR SINGH, VP:

This appeal by the assessee is arising out of the order of the Commissioner of Income Tax (Appeals)-1, Coimbatore in ITA Appeal No.350/14-15 dated 30.01.2017. The Assessment was framed by DCIT, Corporate Circle -2, Coimbatore U/s 143(3) of

the Income Tax Act, 1961 (hereinafter 'the Act') for the A.Y. 2012-13 vide order dated 19.02.2015.

2. The only issue in this appeal of assessee is as regards to the order of CIT(A) rejecting the ground on the amount received towards carbon credit by excluding from the total income, as being in the nature of capital receipt, as the same has not claimed before the AO in the return of income but claimed the same during the course of assessment proceedings. For this, assessee has raised various grounds which we need not to reproduce.

3. We have heard rival contentions and gone through facts and circumstances of the case. We noted that during the course of assessment proceedings before the AO, the assessee claimed that it had received a sum of Rs.4,28,24,080/- during the year towards carbon credit under Clean Development Mechanism (CDM) and incurred expenditure of Rs.16,82,828/- by way of registration fee. The assessee claimed that the amount of Rs.4,28,24,080/- should be excluded from the total business proceeds as the receipt is in the nature of capital and not revenue. The AO assessed the same as business income. Aggrieved, assessee preferred appeal before CIT(A) and the

CIT(A) also confirmed the action of the AO. Aggrieved, assessee is in appeal before the Tribunal.

4. We noted that this issue is covered in the favour of the assessee by the decision of Hon'ble High Court of Madras in the casea of S.P. Spinning Mills Pvt. Ltd. vs. ACIT, (2021) (1) TMI 1081 & CIT vs. Ambika Cotton Mills Ltd. [2021] 125 taxmann.com 206 and by the decision of Co-ordinate Bench of this Tribunal in assessee's own case for the assessment year 2013-14 in ITA No.754/Chny/2018, order dated 13.02.2020. As the issue is squarely covered in assessee's own case in ITA No. 754/Chny/2018, we consistently following the same allow this appeal of the assessee.

5. In the result, the appeal filed by the assessee is allowed.

Order pronounced in the court on 25th February, 2022 at Chennai.

Sd/-

(मनोज कुमार अग्रवाल)

(MANOJ KUMAR AGGARWAL)

लेखा सदस्य /ACCOUNTANT MEMBER

Sd/-

(महावीर सिंह)

(MAHAVIR SINGH)

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,

दिनांक/Dated, the 25th February, 2022

RSR

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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|------------------------|--------------------------|------------------------------|
| 1. अपीलार्थी/Appellant | 2. प्रत्यर्थी/Respondent | 3. आयकर आयुक्त (अपील)/CIT(A) |
| 4. आयकर आयुक्त /CIT | 5. विभागीय प्रतिनिधि/DR | 6. गार्ड फाईल/GF. |