

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL
'C' 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 Nos.: **2708, 2707 & 2709/CHNY/2019**

निर्धारण वर्ष /Assessment Years: 2010-11, 2011-12 & 2014-15

M.R.M. Plantations (P) Ltd.,
No.40, M.R.M. Arcade,
Amman Sannathi,
Karaikudi – 630001.

The Income Tax Officer,
vs. Ward 2,
Karaikudi

PAN: AACCM 9053R

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

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

: Shri T.N. Seetharaman, Advocate
: Shri P. Sajit Kumar, JCIT

सुनवाई की तारीख/Date of Hearing

: 19.07.2022

घोषणा की तारीख/Date of Pronouncement

: 19.07.2022

आदेश /O R D E R

PER MAHAVIR SINGH, VICE PRESIDENT:

These appeals by the assessee are arising out of different orders of Commissioner of Income Tax (Appeals)-1, Madurai in ITA No.0065/2014-15, 201 & 202/2016-17 vide orders of even date 09.08.2019. The assessments were framed by the ITO, Ward-2 / ACIT, Circle-1, Karaikudi for the assessment years 2010-11, 2011-12 & 2014-15 u/s.143(3) r.w.s. 147 of the Income Tax Act, 1961

(hereinafter the 'Act') vide orders of different date 28.03.2016 & 16.12.2016.

2. The only common issue in these three appeals of assessee is as regards to the order of CIT(A) confirming the disallowance made by AO of Head office expenses. For this, the expenses disallowed for AY 2010-11 is Rs.21,90,436/-, AY 2011-12 is Rs.18,80,927/- and for AY 2014-15 is Rs.29,43,098/-. Both the Id.counsel for the assessee and the Id. Senior DR agreed that the facts and circumstances in all the three years are exactly identical and there is no difference in facts. Hence, we are taking up the facts from assessment year 2010-11 and will decide the issue. The assessee has raised various grounds for the above issue, which is argumentative in nature and in all the three years various grounds are raised, which we need not to reproduce.

3. Brief facts are that the assessee company, over and above its income earned in India, derived agricultural income from Malaysia by way of plantation of palm seeds. The assessee claimed expenses and the AO noted that the assessee company has no business activity in India except interest received from certain fixed deposits. The AO and the CIT(A) in their concurrent finding noted that the company has plantation situated in Malaysia and is earning income

from the same. The AO and the CIT(A) held that since Malaysian income from plantation business is exempt u/s.14A of the Act, all the expenses which are related to business is even to be allowed against that income only. Since the income is exempt, the AO disallowed the entire expenditure claimed amounting to Rs.21,90,436/- u/s.37(1) of the Act. But, the CIT(A) noted that the same has to be disallowed u/s.14A of the Act. Accordingly, the CIT(A) confirmed the addition. Aggrieved assessee is in appeal before the Tribunal.

4. The Id.counsel for the assessee stated that although the assessee's case is covered by Tribunal's decision against assessee in assessee's own case for assessment year 2006-07 in ITA No.2773/Mds/2014, order dated 09.10.2015, he wanted to distinguish the same. But, on record he could not distinguish on facts. On the other hand, the Id. Senior DR supported the orders of the lower authorities.

5. After hearing both the sides and going through the facts, we noted that the Tribunal in assessee's own case for assessment year 2006-07 has rejected the claim of assessee of Head office expenses by observing in para 9 as under:-

9. We have heard both the sides and perused the material on record. Under section 57 only expenditure incurred in connection with earning of income was allowable as deduction. The assessee admitted that the entire income is by way of interest from the bank deposits. It was seen that the expenditure made by the assessee towards salary, remuneration, commission, building maintenance etc, these expenses have no nexus with earning of interest on bank deposits and cannot be allowed as deduction u/s.57 of the Act. Further, the assessee made a plea before us that expenditure at head office at Rs.15,65,918/- instead of Rs.43,35,061/-. In our opinion, the Assessing Officer already brought on record the total expenditure at Rs.43,35,061/- as recorded in earlier para. Being so, the contention of the assessee counsel is devoid of merit as it is not based on any evidences. Accordingly, this ground of the appeal of the assessee is rejected.

Since the assessee factually could not distinguish the above findings of Tribunal, respectfully following the same and taking a consistent view, we dismiss this appeal of assessee. Since the facts in all three assessment years are same, all the three appeals of the assessee are dismissed.

6. In the result, the appeals filed by the assessee are dismissed.

Order pronounced in the open court on 19th July, 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 19th July, 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. |