

आयकर अपीलीय अधिकरण, 'डी' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'D' BENCH, CHENNAI
श्री एसएस विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री जगदीश, लेखा सदस्य के समक्ष ।
Before Shri S.S. Viswanethra Ravi, Judicial Member &
Shri Jagadish, Accountant Member

आयकर अपील सं./I.T.A. Nos.2024 & 2025/Chny/2024
निर्धारण वर्ष/Assessment Years: 2020-21 & 2021-22

ED-1330 Karumandurmedu MPCs Ltd., Vs. The Deputy Commissioner of
151, Kalamman Nagar, Income Tax,
Karumandurmedu, Gobichettipalayam, Circle 1, Erode.
Tamil Nadu 638 457.
[PAN:AAAAE1032H]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri S. Senthil Kumar, Advocate, Er.
प्रत्यर्थी की ओर से/Respondent by : Mr. Saujanya Ranjan, JCIT
सुनवाई की तारीख/ Date of hearing : 24.09.2024
घोषणा की तारीख /Date of Pronouncement : 27.09.2024

आदेश /O R D E R

PER S.S. VISWANETHRA RAVI, JUDICIAL MEMBER:

Both the appeals filed by the assessee are directed against separate common orders dated 27.05.2024 passed by the Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre [NFAC], Delhi for the assessment years 2020-21 & 21-22.

2. Since issues raised in both the appeals are similar based on the same identical facts, with the consent of the both the parties, we proceed to hear both the appeals together and pass consolidated order for the sake of convenience.

3. We shall take up appeal in ITA No.2024/Chny/2024 for AY 2020-21.

4. We find this appeal was filed with a delay of 4 days. The assessee filed an affidavit for condonation of delay stating reasons for the said delay. Upon hearing both the parties and on examination of the affidavit, we find that the reasons stated by the assessee are bonafide, which really prevented in filing the appeal in time and accordingly, we condone the delay and admit the appeal for adjudication.

5. The assessee raised 4 grounds of appeal, amongst which, the only issue emanates for our consideration as to whether the Id. CIT(A) is justified in confirming the disallowance partly to an extent of ₹.14,607/- in the facts and circumstances of the case.

6. At the outset, we find that the assessee claimed deduction under section 80P(2)(d) of the Income Tax Act, 1961 ["Act" in short] of ₹.1,72,880/- earned as interest income received from Co-operative Bank out of which ₹.1,58,273/- is from FDs and ₹.14,607/- from saving account and others. The Assessing Officer CPC disallowed entire deduction claimed under section 80P(2)(d) of the Act. The Id. CIT(A) confirmed the disallowance of ₹.14,607/- for the reason that the amount kept in saving bank account is not an investment.

7. Having heard both the parties and perused the material available on record, we find that the assessee earned interest income of ₹.1,72,880/- from Co-operative Bank, out of which ₹.1,58,273/- is from FDs and ₹.14,607/- from saving account and others, which was disallowed by the Assessing Officer, CPC. Since, the interest of ₹.1,58,273/- on investment in the Co-operative society received by the assessee is eligible for deduction under section 80P(2)(d) of the Act, the Id. CIT(A) deleted the same. However, since, the interest earned out of saving bank account maintained in a co-operative bank cannot be treated as income or dividend from investment, the Id. CIT(A) confirmed the disallowance of ₹.14,607/-. The Id. AR Shri S. Senthil Kumar, Advocate could not bring on record any material to show that the amount kept in saving bank account is an investment. Thus, we find no infirmity in the order passed by the Id. CIT(A) and it is justified. Thus, the grounds raised by the assessee are dismissed.

ITA No. 2025/Chny/2024 for AY 2021-22

8. We find the ground raised by the assessee in the assessment year 2021-22 is similar to the ground as raised in the assessment year 2020-21, wherein, on similar issue on same identical facts and circumstances, we have confirmed the order of the Id. CIT(A) on this issue and dismissed the ground raised by the assessee and the same view taken by us is

equally applicable to the assessment year 2021-22. Thus, the ground raised by the assessee is dismissed.

9. In the result, both the appeals filed by the assessee are dismissed.

Order pronounced on 27th September, 2024 at Chennai.

Sd/-
(JAGADISH)
ACCOUNTANT MEMBER

Sd/-
(S.S. VISWANETHRA RAVI)
JUDICIAL MEMBER

Chennai, Dated, 27.09.2024

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant,
2. प्रत्यर्थी/ Respondent,
3. आयकर आयुक्त/CIT, Chennai/Madurai/Coimbatore/Salem
4. विभागीय प्रतिनिधि/DR &
5. गार्ड फाईल/GF.