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

श्री मनु कुमार गिरि, न्यायिक सदस्य एवं श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष
BEFORE SHRI MANU KUMAR GIRI, JUDICIAL MEMBER AND
SHRI S.R.RAGHUNATHA, ACCOUNTANT MEMBER

आयकर अपील सं./**ITA No.:1007/Chny/2025**
निर्धारण वर्ष / Assessment Year: **2023-24**

Dr. Rangasamy Sudha, 448, Maragathavalli Hospital, E.V.N. Road, Erode – 638 009.	vs.	**The Income-tax Officer,** Ward 1(1), Erode.
[PAN:AJCPS-0749-R] (अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri. Manickasundaram, Advocate
प्रत्यर्थी की ओर से/Respondent by : Ms. Gouthami Manivasagam, JCIT.

सुनवाई की तारीख/Date of Hearing : 03.07.2025
घोषणा की तारीख/Date of Pronouncement : 05.08.2025

आदेश /O R D E R

PER S. R. RAGHUNATHA, AM :

The present appeal is filed by the assessee for the Assessment Year (A.Y.) 2023-24 against the order dated 26.02.2025 passed by the Learned Commissioner of Income Tax (Appeals) / ADDL/JCIT (A) -4, Bengaluru (in short ld.CIT(A)).

2.The brief facts of the case are that the assessee is a doctor having professional income and income from other sources and for the impugned A.Y. and the return of income was filed on 29.06.2023. The assessee exercised her option for the "new tax regime" in terms of provisions of section 115BAC of the Income Tax Act, 1961 (hereinafter referred the "Act") and filed Form No.10IE in terms of rule 21AG on 31.12.2021 relevant to A.Y. 2021-22. For the impugned A.Y., the assessee wanted to continue to opt for the "new regime" and had accordingly filed the return of income u/s.139 without any claim for deduction under chapter VIA. Even in the income tax return, in the column, "option for current assessment year", the assessee had provided

the answer as “continue to opt”. However, the assessee claims that she had inadvertently filed the Form No.10IE, by opting to withdraw from the option of filing taxes under the “new regime”. Since the Form No.10IE was filed by the assessee withdrawing the option for “new tax regime”, the CPC, while processing the return, had calculated the tax payable as per “old regime” and raised a demand of Rs.84,570/- u/s.143(1) of the Act on 29.06.2023. Aggrieved by the demand, the assessee filed an appeal before the Ld.CIT(A) i.e. First Appellate Authority (in short FAA).

3. Before the FAA, the assessee raised the following contentions. Since the CPC had treated the return as filed under the “old regime”, the assessee is eligible for deductions under chapter VIA. Even though the deductions were not claimed by the assessee in the return of income, the assessee is still eligible to claim the deductions under chapter VIA during the course of the appellate proceedings and the same should be allowed. Accordingly, the assessee placed the proof of claim of deduction under chapter VIA to the tune of Rs.2,00,000/- (Rs.1,50,000 under section 80C and Rs.50,000/- under section 80TTB). The Ld.CIT(A), however, dismissed the appeal by holding that there is no discrepancy in the order passed by CPC u/s.143(1) of the Act. Aggrieved by the order of the FAA, the assessee is in appeal before us.

4. Before us, the Ld.AR for the assessee contended that the assessee is eligible to claim the deduction under chapter VIA of the Act and prayed that the deductions be given effect to and the demand raised by the CPC be set aside.

5. Per contra, the Ld.DR supported the orders passed by the CPC and the FAA and argued that unless the claim of deduction is made in the return of income the CPC would not be able to process the same and prayed that the appeal be dismissed.

6. We have heard both the parties perused the grounds of appeal, order of the authorities below and the paper book filed by the assessee.

7. It is trite law that a fresh claim of deduction made before the FAA has to be entertained by him. We rely on the judgments rendered by the Hon'ble Supreme Court in the case of Goetze (India) Ltd v CIT [2006] 284 ITR 323 (SC), Hon’ble Madras High Court in CIT v Abhinitha Foundation (P.) Ltd. [2017] 396 ITR 251 (Mad.) and Ramco

Cements Ltd. v DCIT [2015] 373 ITR 146 (Mad.), Hon'ble Bombay High Court in CIT v Pruthvi Brokers & Shareholders Private Ltd [2012] 349 ITR 336 (Bom.), Hon'ble Delhi High Court in CIT v Jai Parabolic Springs Ltd (2008) 306 ITR 42 (Del.), and the Mumbai Bench of the Tribunal in Chicago Pneumatic India Ltd v DCIT [2007] 15 SOT 252 (Mumbai) to arrive at the above conclusion. In all these decisions, the consistent view has been taken by the Hon'ble Supreme Court as well as the Hon'ble High Courts, is that an assessee can make a claim of deduction for the first time before the appellate authorities and the appellate authorities are bound to entertain the same.

8. The Hon'ble Supreme Court in Goetze (cited supra) had held as follows:

> *"The question raised in this appeal relates to whether the appellant-assessee could make a claim for deduction other than by filing a revised return. The assessment year in question was 1995-96. The return was filed on 30-11-1995 by the appellant for the assessment year in question. On 12-1-1998, the appellant sought to claim a deduction by way of a letter before the Assessing Officer. The deduction was disallowed by the Assessing Officer on the ground that there was no provision under the Income-tax Act to make amendment in the return of income by modifying an application at the assessment stage without revising the return.*
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> ***3.** This appellant's appeal before the Commissioner of Income-tax (Appeals) was allowed. However, the order of the further appeal of the Department before the Income-tax Appellate Tribunal was allowed. The appellant has approached this Court and has submitted that the Tribunal was wrong in upholding the Assessing Officer's order. He has relied upon the decision of this Court in National Thermal Power Co. Ltd. v. CIT[1998] 229 ITR 383 , to contend that it was open to the assessee to raise the points of law even before the Appellate Tribunal.*
>
> *The decision in question is that the power of the Tribunal under section 254 of the Income-tax Act, 1961, is to entertain for the first time a point of law provided the fact on the basis of which the issue of law can be raised before the Tribunal. The decision does not in any way relate to the power of the Assessing Officer to entertain a claim for deduction otherwise than by filing a revised return. In the circumstances of the case, we dismiss the civil appeal. However, we make it clear that the issue in this case is limited to the power of the assessing authority and does not impinge on the power of the Income-tax Appellate Tribunal under section 254 of the Income-tax Act, 1961.".*

9. Further, the Hon'ble Madras High Court in Abhinitha Foundations (cited supra) had held as follows,

> *"In sum, what emerges from a perusal of the ratio of the judgments cited above, in particular, the judgments rendered by the Supreme Court in Goetze's India Ltd.'s case (supra) and National Thermal Power Co. Ltd.'s case (supra), and those, rendered by the Division Bench of this Court in Ramco Cements Ltd. (supra) and Malind Laboratories (P.) Ltd. (supra) as also the judgments of the Delhi High Court in Sam Global Securities Ltd.'s case (supra) and Jai Parabolic Springs Ltd.'s case (supra),*

that, even if, the claim made by the assessee company does not form part of the original return or even the revised return, it could still be considered, if, the relevant material was available on record, either by the appellate authorities, (which includes both the CIT (A) and the Tribunal) by themselves, or on remand, by the Assessing Officer. In the instant case, the Tribunal, on perusal of the record, found that the relevant material qua the claim made by the assessee company under Section 80 IB (10) of the Act was placed on record by the assessee company during the assessment proceedings and therefore, it deemed it fit to direct its reexamination by the Assessing Officer."

10. In the present facts of the case, by respectfully following the judgments rendered by the Hon'ble Supreme Court as well as the Hon'ble High Courts, we are of the considered view that the FAA ought to have considered the claim of deductions made under Chapter VIA, in tune with the "old regime" and should have re-computed the income of the assessee after giving effect to the claim of deduction made under Chapter VIA. We, accordingly, allow the appeal of the assessee and direct the Assessing Officer to recompute the income by allowing the deduction claimed under Chapter VIA of the Act to the tune of Rs.2,00,000/-.

11. In the result the appeal of the assessee is partly allowed.

Order pronounced in the open court on 05th August, 2025 at Chennai.

Sd/-	Sd/-
(मनु कुमार गिरि**)**	**(**एस**.** आर**.** रघुनाथा**)**
(MANU KUMAR GIRI)	**(S. R. RAGHUNATHA)**
न्यायिक सदस्य**/Judicial Member**	लेखासदस्य**/Accountant Member**

चेन्नई/Chennai,
दिनांक/Dated, the 05th August, 2025

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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