

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

&

THE HONOURABLE MR. JUSTICE T.R.RAMACHANDRAN NAIR

TUESDAY, THE 5TH FEBRUARY 2008 / 16TH MAGHA 1929

ITA.No. 208 of 2001()

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AGAINST THE ORDER DATED 15.6.2001 IN COCH. IN  
ITA.876/1993 of I.T.A.TRIBUNAL,COCHIN BENCH

APPELLANT:

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THE COMMISSIONER OF INCOME TAX, COCHIN.

BY ADV. SRI.P.K.R.MENON(SR.),SC FOR IT  
SRI.GEORGE K. GEORGE, SC FOR IT

RESPONDENTS:

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THE FEDERAL BANK LTD., ALWAYE.

BY ADV. SRI.P.BALACHANDRAN  
SMT.PREETHA S.NAIR

THIS INCOME TAX APPEAL HAVING BEEN FINALLY HEARD  
ON 05/02/2008, ALONG WITH ITA NO. 209 OF 2001  
THE COURT ON THE SAME DAY DELIVERED THE  
FOLLOWING:

C .N. RAMACHANDRAN NAIR &  
T.R. RAMACHANDRAN NAIR, JJ.

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I.T.A. No. 208 & 209 OF 2001  
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Dated this the 5th day of February, 2008

## JUDGMENT

### **C.N. Ramachandran Nair,J.**

These two connected appeals filed by the Revenue arise from the order of the Income-tax Appellate Tribunal for the assessment years 1991-92 and 1992-93. All the questions raised except the one pertaining to allowance under Section 80M of the I.T. Act stand decided by this Court in the assessee's own case reported in COMMISSIONER OF INCOME TAX V. NEDUNGADI BANK LTD., 264 I.T.R. 545 and later decisions in I.T.A.No. 73 and 191 of 2001. We therefore answer all questions except the one pertaining to part disallowance under Section 80M in favour of the assessee and against the revenue and consequently revenue's appeals are dismissed on these issues.

2. The only remaining question pertains to computation of relief under Section 80M which provides for 60% of the deduction of

dividend received from other companies. The assessing officer made recomputation making partial disallowance of the claim on the ground that assessee would have incurred some expenditure for earning dividend income. The Tribunal found that there is no basis for estimating expenditure and reducing the same from the dividend income in respect of which Section 80M relief is claimed by the assessee. Having regard to the small amount of dividend and disallowance involved, we do not find any ground to interfere with the order of the Tribunal. We accordingly dismiss both the appeals.

(C.N.RAMACHANDRAN NAIR)  
Judge.

(T.R.RAMACHANDRAN NAIR)  
Judge.

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