

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCHES : E : NEW DELHI

BEFORE SHRI R.S. SYAL, VICE PRESIDENT
AND
SHRI KULDIP SINGH, JUDICIAL MEMBER

ITA No.607/Del/2015
Assessment Year : 2010-11

DCIT,
Central Circle-1,
Faridabad.

Vs. Manav Sardana,
H.No.69A,
Sainik Farms,
New Delhi.
PAN: AATPS6108A

(Appellant)

(Respondent)

Assessee By : Dr. Rakesh Gupta, Advocate &
Shri Tarun Kumar, Advocate
Department By : Ms Shefali Swaroop, CIT DR

Date of Hearing : 24.10.2017
Date of Pronouncement : 25.10.2017

ORDER

PER R.S. SYAL, VP:

This appeal by the Revenue relating to the A.Y. 2010-11 arises out of the order passed by the CIT(A) on 24.11.2014.

2. The only issue raised in this appeal is against allowing of adjustment of seized cash towards advance tax liability.

3. Briefly stated, the facts of the case are that the assessee claimed advance tax paid of Rs.18 lac in his income-tax return for assessment year 2010-11 and credit of the same was given by the Assessing Officer. Thereafter, rectification proceedings were taken u/s 154 by the AO on the ground that this amount was kept in P.D. account as the same was seized at the time of such operation. The Assessing Officer opined that the assessee was not entitled to adjustment of seized cash towards advance tax liability from the date of making the application(s) in that regard. That is how, interest u/ss 234B and 234C was recomputed. The Id. CIT(A) overturned the action of the Assessing Officer by relying on the judgment of the Hon'ble jurisdictional High Court in *CIT vs. Ashok Kumar (2011) 334 ITR 355 (P&H)*. The Revenue is aggrieved.

4. After considering the rival submissions and perusing the relevant material on record, we find that the assessee requested the Income-tax authorities on 07.09.2009 and 10.08.2011 to adjust seized cash of Rs.18

lac against the advance tax liability. The Hon'ble jurisdictional High Court in the aforementioned case has held that the assessee's request for adjustment of seized cash has to be taken into consideration in the computation of interest u/s 234B and 234C. Since the Id. CIT(A) has followed the Hon'ble jurisdictional High Court in setting aside the contrary view taken by the Assessing Officer, we uphold the impugned order.

5. In the result, the appeal of the Revenue is dismissed.

The order pronounced in the open court on 25.10.2017.

Sd/-

[KULDIP SINGH]
JUDICIAL MEMBER

Sd/-

[R.S. SYAL]
VICE PRESIDENT

Dated, 25th October, 2017.

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Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT (A)
5. DR, ITAT

AR, ITAT, NEW DELHI.