

आयकर अपीलीय अधिकरण, 'एस.एम.सी' 'सी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL,
'SMC' 'C' BENCH, CHENNAI
श्री ए. मोहन अलंकामणी, लेखा सदस्य के समक्ष
Before Shri A. Mohan Alankamony, Accountant Member

आयकर अपील सं./I.T.A.No.682/Chny/2018
(निर्धारण वर्ष / Assessment Year: 2015-16)

Shri Jayantilal Jain, No.16/2, Narayana Mudali Lane, Sowcarpet, Chennai – 600079.	Vs	The ITO, Non-Corporate Ward – 4(2), Chennai – 600 006.
PAN: ACSPJ8073C		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by	:	Shri D. Anand, Advocate
प्रत्यर्थी की ओर से/Respondent by	:	Shri B. Sagadevan, JCIT

सुनवाई की तारीख/Date of hearing	:	10.09.2018
घोषणा की तारीख/Date of Pronouncement	:	04.10.2018

आदेश / ORDER

This appeal by the assessee is directed against the order passed by the Ld. Commissioner of Income Tax (Appeals)-5, Chennai dated 17.01.2018 in ITA No.54/CIT(A)-5/17-18 for the assessment year 2015-16 passed u/s.250(6) r.w.s.143(3) of the Act.

2. The assessee has raised four grounds in his appeal however the crux of the issue is that the Ld.CIT(A) has erred in

sustaining the order of the Id. Assessing Officer who had made additions based on the discrepancy reflected in Form 26AS.

3. The brief facts of the case are that the assessee is an individual engaged in money lending business, filed his return of income for the assessment year 2015-16 on 27.03.2016 declaring total income of Rs.5,70,260/-. Subsequently, the case was taken up for scrutiny through CASS and finally assessment order was passed on 28.06.2017, wherein, the Id. Assessing Officer made additions with respect to interest income stated in the Form 26AS which was not disclosed in the return of income on the following entities:-

i)	<i>Bhoomi & Building Pvt. Ltd.</i>	:	Rs.	5,000
ii)	<i>Aachi Special Foods Private Ltd.</i>	:	Rs.	90,000
iii)	<i>Jumbo Bag Limited</i>	:	Rs.	2,62,500
iv)	<i>Indian Bartys and Chemicals Ltd.</i>	:	Rs.	68,627
v)	<i>MD Sathak Trust</i>	:	Rs.	12,00,000
vi)	<i>SPR Construction Pvt. Ltd.</i>	:	Rs.	3,00,000
	<i>Total</i>	:	Rs.	19,26,127

4. Before me, the Id. AR submitted that the tax deductor had erroneously deducted tax in the relevant assessment year with respect to the interest paid/accrued not pertaining to the relevant assessment years and hence there was discrepancy in regard to the interest income declared by the assessee in the return of

income and with that of the interest income shown in Form 26AS. The Id. AR further submitted that the entire interest income was accounted in the books of assessee for the relevant assessment years and tax was paid. It was therefore, pleaded that the addition made by the Id. Assessing Officer, which was subsequently confirmed by the Id. CIT(A) may be deleted. On the other hand, the Id. DR relied on the orders of Revenue authorities and argued in support of the same.

5. I have heard the rival submissions and carefully perused the materials on record. It is an accepted legal proposition that if the assessee being an individual has declared his entire interest income in his books of accounts for the relevant assessment years according to the method regularly adopted by him, which may be cash or mercantile system, then there will be no scope for the Revenue to make addition based on Form 26AS. If the Revenue makes addition towards interest income for the relevant assessment year even when the same is declared in another assessment year in accordance with the accounting system regularly followed by the assessee (being an individual) and paid tax accordingly then it would amount to double taxation. Therefore,

in the interest of justice, I hereby remit the matter back to the file of the Assessing Officer to verify whether the assessee has accounted the entire interest stated in Form 26AS in his books of account for the relevant assessment years in accordance with the accounting method regularly followed by him and if found so, delete the addition, otherwise, pass appropriate order in accordance with merit and law.

6. In the result the appeal of the assessee is allowed for statistical purposes as indicated above.

Order pronounced on the 4th October, 2018 at Chennai.

Sd/-
(ए. मोहन अलंकामणी)
(A. Mohan Alankamony)
लेखा सदस्य/Accountant Member

चेन्नई/Chennai,

दिनांक/Dated 4th October, 2018

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 |