

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'B' BENCH, KOLKATA**

(Before Sri J. Sudhakar Reddy, Accountant Member & Sri S.S. Godara, Judicial Member)

ITA No. 1089/Kol/2016

Assessment Year: 1987-88

Shri Anup Kumar Mitra.....Appellant

L/H. Of Lt. Anil Bhusan Mitra

6, Bepin Mitra Lane

Kolkata - 700 004

[PAN : AEAPM 6798 P]

Vs.

Income Tax Officer, Ward-44(1), Kolkata.....Respondent

Appearances by:

Shri S.M. Surana, Advocate, appeared on behalf of the assessee.

Shri Dhruvajyoti Ray, JCIT Sr. D/R, appearing on behalf of the Revenue.

Date of concluding the hearing : December 12th, 2019

Date of pronouncing the order : February 26th, 2020

ORDER

Per J. Sudhakar Reddy, AM :-

This appeal filed by the assessee is directed against the order of the Learned Commissioner of Income Tax (Appeals) – 13, Kolkata, (hereinafter the “ld.CIT(A)”), passed u/s. 250 of the Income Tax Act, 1961 (the ‘Act’), dt. 18/01/2016, for the Assessment Year 1987-88.

2. The only issue that arises for our consideration is, whether the interest on refund u/s 214 of the Act, as it existed for the Assessment Year 1987-88, entitles the assessee for grant of interest on refund due, from the first date of the financial year. Section 214 of the Act, as it then existed, reads as follows:-

“Section 214”- Interest payable by Government – (1) The Central Government shall pay simple interest at fifteen per cent per annum on the amount by which the aggregate sum of any instalments of advance tax paid during any financial year in which they are payable under sections 207 to 213 exceeds the amount of the assessed tax from the 1st day of April next following the said financial year, and where any such instalment is paid after the expiry of the financial year, during which it is payable by reason of the provisions of Section 213, interest as aforesaid shall also be payable on that instalment from the date of its payment to the date of regular assessment : Provided that in respect of any amount refunded on a provisional assessment under section 141A, no interest shall be paid for any period after the date of such provisional assessment.”

3. A plain reading of the Section takes us to the conclusion that the interest has to be calculated from the 1st day of April of the financial year. Not doing so, is a mistake apparent on record. Thus, we allow the appeal of the assessee and direct the Assessing

Officer to compute interest u/s 214 of the Act on the amount of aggregate sum of instalments paid as advance tax by the assessee during the financial year, which exceeds the amount of assessed tax.

4. In the result, appeal of the assessee is allowed.

Kolkata, the 26th day of February, 2020.

Sd/-
[S.S. Godara]
Judicial Member

Dated : 26.02.2020
{SC SPS}

Sd/-
[J. Sudhakar Reddy]
Accountant Member

Copy of the order forwarded to:

1. ***Shri Anup Kumar Mitra***
L/H. Of Lt. Anil Bhusan Mitra
6, Bepin Mitra Lane
Kolkata - 700 004

2. ***Income Tax Officer, Ward-44(1), Kolkata***

3. CIT(A)-

4. CIT- ,

5. CIT(DR), Kolkata Benches, Kolkata.

True copy
By order

Assistant Registrar
ITAT, Kolkata Benches