

**IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "F" MUMBAI**

**BEFORE SHRI S. RIFAUR RAHMAN (ACCOUNTANT MEMBER) AND
SHRI PAVAN KUMAR GADALE (JUDICIAL MEMBER)**

**ITA No. 883/MUM/2020
Assessment Year: 2015-16**

ACIT (LTU)-1,
29th floor, Centre-1, World Trade
Centre, Cuffe Parade,
Mumbai-400 005.

Appellant

M/s Union Bank of India,
Vs. Union Bank Bhavan, 6th floor,
239 Vidhan Bhavan Marg,
Nariman Point,
Mumbai-400021.
PAN No. AAACU 0564 G
Respondent

Revenue by : Mr. Purushottam Tripuri, DR
Assessee by : Mr. C. Naresh, AR

Date of Hearing : 07/10/2021
Date of pronouncement : 30/11/2021

ORDER

PER S. RIFAUR RAHMAN, A.M.

The present appeal is filed by the Revenue against the order of the Commissioner of Income Tax (Appeals)-2, Mumbai [in short 'CIT(A)'] for the assessment year 2015-16 dated 05.11.2019 and arises out of assessment completed u/s 143(3) of the Income Tax Act, 1961 (in short the Act).

2. Revenue is in appeal with the following grounds of appeal:

Whether, in the facts and circumstances of the case and in law, the Ld. CIT(A) was right in holding that ground raised in respect of computation of interest u/s 244A of the Act is allowed, having set aside the same to the file of the AO

with the direction to verify the computation of interest as computed by the assessee allowed to them and modify the interest u/s 244A to be allowed appropriately in the light of the provisions of section 244 r.w. Rule 119A of the Act.

3. At the time of hearing it is brought to our notice that the Ld. CIT(A) gave direction to the Assessing Officer for the sake of clarity it is reproduced below:

“The AO has determined the refund by passing the order on 29.06.2018, and the interest u/s.244A should be allowed till the month of June-2018 in terms of Rule 119A(b) which provides that where interest has to be calculated for every month or part of a month comprised in a period, any fraction of a month shall be deemed to be a full month and interest shall be so calculated. The AO is directed to verify the computation of interest u/s.244A as computed by the appellant at Rs.271,93,001/- and at Rs.150,03,754/-, as allowed to the appellant vide order dated 29.06.2018. Further, the AO is directed to modify the interest u/s.244A to be allowed to the appellant appropriately, in light of the provisions of Sec.244A r.w. Rule 119A and allow appropriate relief.”

4. Since the issue was remitted back to the AO to determine the interest u/s 244A of the Act with a clear direction by the Ld. CIT(A). However, Department is in appeal before us with the plea that interest u/s 244A of the Act is allowed and having set aside the same to the file of AO with a direction to verify the computation of interest as computed by the assessee.

5. After considering the submissions of both the parties, in our considered view the issue was remitted back to the Assessing Officer to verify the claim of the assessee and compute the interest u/s 244A r.w.r. 119A as per law. As such there is no prejudicial to the interest of the Revenue and the issue is once again with the Assessing Officer to determine the interest as per law. Therefore, we do not see any reason to entertain the grounds raised by the Revenue. Accordingly, we dismiss the grounds raised by the Revenue and direct the Assessing Officer

to follow the due process of law in determining the interest u/s 244A of the Act and follow the directions of Ld. CIT(A).

6. In the result, the appeal filed by the Revenue is dismissed.

Order pronounced in the open Court on 30/11/2021.

Sd/-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Sd/-
(S. RIFAUR RAHMAN)
ACCOUNTANT MEMBER

Mumbai;

Dated: 30/11/2021

Rahul Sharma, Sr. P.S.

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent.
3. The CIT(A)-
4. CIT
5. DR, ITAT, Mumbai
6. Guard file.

//True Copy//

BY ORDER,

(Sr. Private Secretary)
ITAT, Mumbai