

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH, CHENNAI

श्री महावीर सिंह, उपाध्यक्ष एवं श्री गिरीश अग्रवाल, लेखा सदस्य के समक्ष
BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT AND
SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.: **1783/CHNY/2018**

निर्धारण वर्ष /Assessment Year: 2014-15

**M/s. Polysoft Technologies Pvt.
Ltd.,**
134/63, Level 3, Greenways Road,
R.A. Puram, Chennai – 600 028.

The Income Tax Officer,
v. Corporate Ward – 5(2),
Chennai.

PAN: AACCP 8016C

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by

: Shri J.V. Niranjana, Advocate

प्रत्यर्थी की ओर से/Respondent by

: Shri G. Johnson, Addl.CIT

सुनवाई की तारीख/Date of Hearing

: 03.03.2022

घोषणा की तारीख/Date of Pronouncement

: 04.03.2022

आदेश /O R D E R

PER GIRISH AGRAWAL, AM:

This appeal by the assessee is arising out of the order of learned Commissioner of Income Tax (Appeals)-3, Chennai in ITA No.239/16-17/A-3, dated 29.12.2017. The assessment was framed by the ITO, Corporate Ward-5(2), Chennai, for the assessment year 2014-15 u/s.143(3) of the Income Tax Act, 1961 (hereinafter 'the Act'), vide order dated 28.12.2016.

2. At the outset, Id.counsel for the assessee stated that he has raised various grounds but he want to pursue only one issue in regard to addition of interest received declared in the return of income as 'income from other sources' due to typographical error.

For this, assessee pointed out following ground No.3

“3. The CIT(Appeals) failed to appreciate that the addition of interest received is a typographical error and even after disclosing the material facts fully and truly was totally ignored and brushed aside thereby vitiating the decision rendered in relation thereto.”

3. Brief facts are that the AO during the course of assessment proceedings, on perusal of statement of total income and the return of income noted that the assessee company has deducted interest income of Rs.64,65,424/- from the net profit stating the same has to be considered separately but the assessee claimed exclusion of the same by filing a letter dated 09.12.2016. According to the AO, the assessee has not furnished any details hence he added this interest income of Rs.64,65,424/- to the returned income of the assessee as 'income from other sources'. Aggrieved, assessee preferred appeal before CIT(A).

4. The CIT(A) after considering the submissions of the assessee noted that actually the assessee has split this amount of interest of Rs.64,65,424/- into two categories of income i.e., amount of interest

of Rs.11,66,450/- which relates to income from gains on foreign exchange and another amount of Rs.47,05,175/- as profit on sale of POS terminals. The CIT(A) observed that these amounts have been added by the assessee itself in the return of income under the head 'income from other sources' and now without any explanation or submissions, the assessee want exclusion of the same. As the assessee could not file any explanation before the CIT(A), the CIT(A) noted that the claim of assessee could not be verified and even the details are not filed before AO. Accordingly, the CIT(A) confirmed the additions. Aggrieved assessee is in appeal before the Tribunal.

5. Before us, the Id.counsel for the assessee filed a type set of 10 pages, wherein Form 26AS was filed and stated that the interest income is always based on TDS. According to him, as per Form 26AS, there is no interest income reflected in this. The Id.counsel also produced copy of return of income in which this interest income is disclosed under the head 'income from other sources' amounting to Rs.64,65,424/- and he claimed that this is due to clerical and inadvertent mistake and he pleaded before us also the same may be excluded and in term he stated that the interest income actually consists of Rs.11,66,450/- being gain on foreign exchange and Rs.47,05,175/- being the profit on sale of POS terminals. The

Id.counsel for the assessee placed before us copy of ledger accounts to prove his point.

6. When these documents were confronted to Id. Senior DR, he stated that neither before AO nor before CIT(A) any documents was filed. He only requested that let AO verify the gain on foreign exchange and sale on POS terminal and in case, this matches with the interest income declared by assessee wrongly, the AO will consider the claim of assessee and accordingly he urge for remitting the matter back to the file of the AO.

7. After hearing the rival contentions and going through the facts of the case, we noted that the assessee could not file these details before the authorities below and hence, we are in agreement with the argument of Id. Senior DR that the matter may be remitted back to the file of the AO. Needless to say, the AO will verify the ledger copies and books of accounts along with vouchers in regard to gain on foreign exchange and profit on sale of POS terminals and will also verify from the books of accounts whether the assessee has included this income in the return of income or not. Accordingly, the AO will decide the exclusion of interest income declared, as claimed due to clerical mistake or due to inadvertent mistake, declared by assessee

of Rs.64,65,424/-. In term of the above, we set aside the orders of lower authorities and remand the matter on this issue back to the file of the AO.

4. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the court on 4th March, 2022 at Chennai.

Sd/-

(महावीर सिंह)

(MAHAVIR SINGH)

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,

दिनांक/Dated, the 4th March, 2022

Sd/-

(गिरीश अग्रवाल)

(GIRISH AGRAWAL)

लेखा सदस्य /ACCOUNTANT MEMBER

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. |