

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
'B' BENCH, CHENNAI

श्री महावीर सिंह, उपाध्यक्ष एवं श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष  
**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT AND**  
**SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: **2964/CHNY/2018**

निर्धारण वर्ष /Assessment Year: 2007-08

**The DCIT,**  
Corporate Circle – 1(1),  
Chennai.

v. **M/s. Ascendas Services**  
**(India) Pvt. Ltd.,**  
(Earlier known as Ascendas  
India Pvt. Ltd.,)  
No.9, I Floor, Pinnacle,  
International Tech Park,  
CSIR Road, Taramani,  
Chennai – 600 113.

(अपीलार्थी/Appellant)

**PAN: AAACJ 9055H**  
(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by  
प्रत्यर्थी की ओर से/Respondent by

: Shri Varuvooru Sreedhar, Addl.CIT  
: Shri GSD Babu, Advocate

सुनवाई की तारीख/Date of Hearing

: 08.06.2022

घोषणा की तारीख/Date of Pronouncement

: 15.06.2022

**आदेश /O R D E R**

**PER MAHAVIR SINGH, VP:**

This appeal by the Revenue is arising out of the order of Commissioner of Income Tax (Appeals)-1, Chennai in ITA No.240/CIT(A)-1/2017-18, order dated 31.07.2018. The rectification order denying interest on refund, was passed by the

DCIT, Corporate Circle 1(1), Chennai for the assessment year 2007-08 vide order dated 28.03.2017 u/s.154 of the Income Tax Act, 1961 (hereinafter the 'Act').

2. The only issue raised by Revenue in this appeal is against the order of CIT(A) allowing interest on refund u/s.244A of the Act till 11.11.2014. For this, Revenue has raised following Ground Nos.2 & 3:-

2. The Ld.CIT(A) erred in not taking cognizance of the fact that the Assessing Officer (AO) had signed and issued the impugned refund along with interest under section 244A of the Act on 06-01-2014 itself and was therefore right in rejecting the petition under section 154 for claim of additional interest under section 244A till November 2014.

3. The Ld.CIT(A) erred in not appreciating the fact that the AO had executed the mandate of issue of refund in January 2014 itself, as per record, and the period of elapse from January 2014 to November 2014 was due to delay or non-service of refund by the Refund Banker, in which the AO has no role to play and hence, Income Tax Department is not liable for the claim of extra interest for the intervening period.

3. We have heard rival contentions and gone through facts and circumstances of the case. We noted that the AO passed order giving effect order dated 18.07.2013 in lieu of directions of ITAT. The assessee received refund on 11.01.2014 but it was not provided tax calculation sheet along with the same. After receipt of refund cheque, assessee made several requests to the AO for copy of tax calculation sheet but however the AO issued only tax computation

sheet only on 10.12.2016. From the tax calculation sheet provided by AO, assessee noted that the interest u/s.244A of the Act on refund was computed only up to 06.01.2014, whereas the assessee is eligible to receive interest u/s.244A of the Act up to the date of refund cheque i.e., 11.11.2014. The assessee moved rectification application before AO which was rejected by AO by citing the decision of Rajasthan High Court in the case of Rajasthan State Electricity vs. CIT, 281 ITR 274. Aggrieved, assessee preferred appeal before the CIT(A). The CIT(A) stated that the decision of Hon'ble Rajasthan High Court in the case of Rajasthan State Electricity *supra* is in favour of assessee and also cited the Board's instruction No.7 dated 01.08.2002 and directed the AO to grant interest u/s.244A of the Act on the refund amount up to the date of 11.11.2014. Aggrieved, Revenue is in appeal before the Tribunal.

4. We noted that the CIT(A) has considered the Instruction No7 of 01.08.2002 issued by the Central Board of Direct Taxes and Circular No.11/2016 dated 24.04.2016, Instruction No.7/2013 dated 15.07.2013 and Instruction No.2/2007 dated 28.03.2007 and also the decisions of Hon'ble Supreme Court in the cases of Sandvik Asia Ltd vs. CIT, (2006) 150 taxman 591 (SC) and CIT vs. HEG Ltd., (2010) 324 ITR 331 (SC) and noted that the assessee is entitled for

interest on refund u/s.244A of the Act up to the date of actual grant of refund i.e., 11.11.2014. Now, the Id. Senior DR could not controvert the order of CIT(A) despite specific query asked by the Bench. The Id.Senior DR however relied on the order of AO rejecting the rectification application by the AO u/s.154 of the Act. We find no infirmity in the order of CIT(A) and hence, the appeal of Revenue is dismissed.

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

Order pronounced in the open court on 15<sup>th</sup> June, 2022 at Chennai.

Sd/-

(मनोज कुमार अग्रवाल)

**(MANOJ KUMAR AGGARWAL)**  
लेखा सदस्य /ACCOUNTANT MEMBER

Sd/-

(महावीर सिंह )

**(MAHAVIR SINGH)**  
उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,  
दिनांक/Dated, the 15<sup>th</sup> June, 2022

**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.            |