

**IN THE INCOME TAX APPELLATE TRIBUNAL
RAJKOT BENCH, RAJKOT
(Conducted through E-Court at Ahmedabad)**

**BEFORE Ms. SUCHITRA KAMBLE, JUDICIAL MEMBER AND
SHRI WASEEM AHMED, ACCOUNTANT MEMBER**

**ITA No.280/RJT/2022
Assessment Year: 2014-15**

M/s. Intermark Shipping Agencies Pvt. Limited,
Room No.02, Plot No.277,
Ajanta Commercial Centre,
Sector-12B,
Gandhidham - 370 201.
[PAN – AAACI 5689 L]
(Appellant) vs. The JCIT (OSD),
Circle, Gandhidham.
(Respondent)

Assessee by : Shri Mehul Ranpura, AR
Revenue by : Shri B.D. Gupta, Sr. DR

Date of hearing : 24.01.2023
Date of pronouncement : 10.02.2023

ORDER

PER SUCHITRA KAMBLE, JUDICIAL MEMBER :

This appeal is filed by the Assessee against order dated 24.09.2022 passed by the CIT(A), National Faceless Appeal Centre (NFAC), Delhi for the Assessment Year 2014-15.

2. The Assessee has raised the following grounds of appeal :-

- “1. *The grounds of appeal mentioned hereunder are without prejudice to one another.*
2. *The Ld. Commissioner of Income Tax (Appeals) National Faceless Appeal Centre, Delhi (hereinafter referred to as the “CIT(A)”) erred on facts as also in law in not directing the AO to grant interest payable u/s.244A of the Act. The AO may kindly be directed to grant the due interest u/s.244A of the Act till the date of payment of refund to the appellant.*
3. *The Ld. CIT(A) erred on facts as also in law in not deciding ground of related granting of refund till date of receipt of refund and not the date of refund granted. The AO may kindly be directed to grant the refund till date of receipt of such refund.*

4. *The Ld. CIT(A) erred on facts as also in law in holding that the appeal filed by the appellant against the order is not an appealable order as per the provision of section 246A of the Act.*
5. *The Ld. CIT(A) erred on facts as also in law in holding that as per ITBA record no order u/s.154 of the Act is available and thereby dismissing the appeal by the appellant.”*

3. The Assessing Officer passed Assessment Order under Section 143(3) of the Income Tax Act, 1961 on 27.12.2016 wherein refund amounting to Rs.8,67,590/- (inclusive interest under Section 244A) was determined. This refund was credited to the assessee's account on 13.01.2021. The assessee filed application dated 14.07.2021 thereby requesting the PCIT for interest on refund from date of Assessment Order till the date of actual receipt of refund in the Bank account. The JCIT vide order dated 27.08.2021 rejected the said application and held that the interest under Section 244A of the Act was properly determined.

4. Being aggrieved by the order dated 27.08.2021 under Section 154 of the Act, the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee for statistical purpose.

5. The Ld. AR submitted that the CIT(A), NFAC erred in not directing the Assessing Officer to grant interest payable under Section 244A of the Act . Ld. AR submitted that the Assessing Officer should be directed to grant the due interest under Section 244A of the Act till the date of payment of refund to the assessee. The Ld. AR further submitted that the Hon'ble Rajasthan High Court, Jaipur Bench in the case of Rajasthan State Electricity Board vs. CIT Tax Appeal No.205 of 2004, 281 ITR 274 held that refund of tax is granted at the moment the concerned Officer signs the order regarding payment of interest under Section 244A of the Act and interest should be granted till that date only. The interest component should have been calculated till the receipt of the refund as per the contentions of the Ld. AR.

6. The Ld. DR submitted that the computation of refund needs to be verified, whether there are any glitches and, therefore, may be set aside to the file of Assessing Officer.

7. We have heard both the parties and perused all the relevant material available on record. It is noted that the Ld. AR also relied upon the decision of Hon'ble Supreme Court in the case of Sandvik Asia vs. CIT (2006) 150 Taxman 591(SC) wherein the Hon'ble Supreme Court observed that the assessee was entitled to interest in case of interest on refund was granted to the assessee after substantial lapse of time. The decision of Hon'ble Apex Court and the present case has identical facts and, therefore, the CIT(A) was not right in rejecting the interest on refund. Therefore, appeal of the assessee is allowed.

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

Order pronounced in the open Court on this 10th February, 2023

Sd/-
(WASEEM AHMED)
Accountant Member

Sd/-
(SUCHITRA KAMBLE)
Judicial Member

Ahmedabad, the 10th February, 2023

PBN/*

Copies to: (1) *The appellant*
(2) *The respondent*
(3) *CIT*
(4) *CIT(A)*
(5) *Departmental Representative*
(6) *Guard File*

By order

Assistant Registrar
Income Tax Appellate Tribunal
Rajkot Bench, Rajkot