

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "C", MUMBAI

**BEFORE SHRI. NARENDRA KUMAR BILLAIYA, ACCOUNTANT MEMBER AND
SHRI. ANIKESH BANERJEE, JUDICIAL MEMBER**

**I.T.A No. 5498/Mum/2024
(Assessment Year:2021-22)**

Pradip Manilal Kanakia 901/1001, Salapuria Silverwood, Varthur Road C.V. Raman Nagar, Bangalore- 560 093 PAN: AABPK4270F	vs	Deputy Commissioner of Income Tax (Mum-C -174)(1), MUMBAI Circle 20(2), Piramal Chambers-216, Lalbaug, Mumbai-400 012
APPLICANT		RESPONDENT

Assessee by : Shri Bharat Kanakia
Respondent by : Shri Mahesh Pamnani (SR DR)

Date of hearing : 02/12/2024
Date of pronouncement : 03/12/2024

ORDER

PER ANIKESH BANERJEE, J.M:

Instant appeal of the assessee was filed against the order of the Learned National Faceless Appeal Centre, Delhi (hereinafter, 'Ld.CIT(A)') passed under section 250 of the Income-tax Act, 1961 for Assessment Year 2021-22, date of order 23/08/2024. The impugned appeal order was emanated from the order of the Learned Central Processing Centre (CPC), Income-tax Department (in brevity,

'Ld.AO'), order passed under section 154r.w.s. 143(1) of the Act, date of order 28/04/2022.

2. The assessee has taken the following grounds of appeal: -

"On the facts and circumstances of the case and in law the learned Commissioner of Income Tax (Appeals) has erred in

1) Holding that the rent income Rs. 1,16,64,000 received in advance for 36 months in A.Y. 2018-19 has to be declared in each of the four assessment years starting from A.Y. 2018-19 and ending in A.Y. 2021-22

2) Holding that the appellant is not entitled to claim TDS of Rs. 1,13,400 ignoring the fact that the appellant had duly declared the rent income which accrued for the assessment year and had only claimed proportionate credit for the TDS.

3) Holding that the learned assessing officer has correctly passed the order u/s 143(1) r.w.s. 154

4) The appellant therefore prays that the appellant be granted credit of TDS of Rs. 1,13,400 and refund be issued with interest u/s 2444 till the date of payment."

3. The Ld.AR argued and stated that the assessee received the rent amount of Rs.1,16,44,000/-for A.Ys. 2018-19 to 2021-22. The rental income was duly apportioned in respective assessment years and accordingly, the assessee filed the returns of income by declaring apportioned income and claimed TDS related to the income. On perusal of the record, we find that the TDS amounting to Rs.11,66,400/- was deducted in the A.Y. 2018-19 against the credit of rental income amount to Rs. 1,16,44,000/-. In impugned assessment year 2021-22, the same apportioned rental income was duly offered for tax but the Ld.AO rejected the TDS claim of the assessee, amount to Rs.1,13,400/-. The aggrieved assessee

filed a rectification petition against the intimation under section 143(1). But the claim of the assessee was duly rejected in the impugned order under section 154 / 143(1) of the Act. Being aggrieved, the assessee filed an appeal before the CIT(A). The Ld.CIT(A) upheld the impugned rectification order. The aggrieved assessee filed an appeal before us.

4. After carefully considering the submissions of the parties and the documents on record, we note that the entire rental income for A.Y. 2018-19 was appropriately credited, and Tax Deducted at Source (TDS) was duly deducted. The Ld.AO had previously accepted the apportionment of income for the last three years. The Ld.AR contended that a portion of the TDS amounting to Rs. 1,13,400/- pertaining to the impugned assessment year was not claimed in A.Y. 2018-19. However, the apportioned rental income was declared during the impugned assessment year.

We find that further verification is required with regard to the assessee's claim of rental income and the corresponding credit for TDS. In light of this, we direct that the matter be remanded to the file of Ld.AO for further verification of the apportioned rental income for the impugned assessment year, as well as the TDS amount of Rs. 1,13,400/-. We also emphasize that the assessee must be provided with a reasonable opportunity to be heard during the remand proceedings.

5. In the result, the appeal of the assessee bearing **ITA 5490/Mum/2024** is allowed for statistical purpose.

Order pronounced in the open court on 03rd day of December, 2024.

Sd/-

(NARENDRA KUMAR BILLAIYA)
ACCOUNTANT MEMBER
Mumbai, दिनांक/Dated: 03/12/2024
Pavanan

sd/-

(ANIKESH BANERJEE)
JUDICIAL MEMBER

Copy of the Order forwarded to:

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकरआयुक्त CIT
4. विभागीयप्रतिनिधि, आय.अपी.अधि., मुंबई/DR, ITAT,
Mumbai
5. गार्डफाइल/Guard file.

//True Copy//

BY ORDER,

(Asstt. Registrar), **ITAT, Mumbai**