

**INCOME TAX APPELLATE TRIBUNAL
AGRA BENCH "SMC": AGRA
BEFORE SHRI M. BALAGANESH, ACCOUNTANT MEMBER**

**ITA No. 614/AGR/2025
(Assessment Year: 2023-24)**

Suresh Chand Agarwal HUF, MP Agarwal Street, Mansani, Mathura, UP	Vs.	Income Tax Officer, Ward-1(3)(1), Mathura
(Appellant)		(Respondent)
PAN: AABHS6117F		

Assessee by :	Shri M. M. Agarwal, CA
Revenue by:	Shri Anil Kumar, Sr. DR
Date of Hearing	22/01/2026
Date of pronouncement	23/01/2026

ORDER

1. The appeal in ITA No. 614/AGR/2025 for AY 2023-24, arises out of the order of the Jt. Commissioner of Income Tax (Appeals)-2, Coimbatore [hereinafter referred to as 'Id. JCIT(A)', in short] dated 11.12.2025 against the order of assessment passed u/s 154 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') dated 03.01.2025 by the Id Assessing Officer, CPC, Bengaluru (hereinafter referred to as 'Id. AO').

2. I have heard the rival submissions and perused the materials available on record. The assessee is a HUF. The HUF owned an immovable property which was subjected to compulsory acquisition and proceeds were received. The payer deducted tax at source at the rate of 1% on Rs 4,66,00,000/- in the name of Karta of HUF and 1% on Rs 4,66,00,000/- in the name of Rajni Agarwal (member of HUF). Since the immovable property was owned by the HUF, the HUF had to claim the credit of TDS of Rs 9,32,000/-. It is not in

dispute that the proceeds received on compulsory acquisition of the property is exempt in the hands of the assessee HUF. The assessee accordingly claimed exemption for the same and claimed credit of TDS of Rs 9,32,000/- in the return of income filed on 27.5.2023. The Schedule of TDS enclosed in Page 35 of the Paper Book which is part of the return of income is very clear in this regard. The assessment was framed u/s 143(1) of the Act by the Id CPC wherein the credit of TDS of Rs 4,66,000/- alone was granted and another sum of Rs 4,66,000/- TDS was denied. The assessee filed rectification application u/s 154 of the Act before the Id CPC. The Id CPC vide order u/s 154 of the Act dated 3.1.2025 withdrew the TDS credit of Rs 4,66,000/- originally allowed by it and denied the total TDS credit of Rs 9.32,000/- on the ground of TDS mismatch in Form 26AS with the assessee. The appeal filed by the assessee against the 154 order of Id CPC before the Id NFAC was invain.

3. The Id AR submitted that both the Karta of HUF and Rajni Agarwal (member of HUF) had not claimed the TDS credit of Rs 4,66,000/- each in their income tax returns and they had also specifically mentioned this fact in the Schedule of TDS filed along with the return of income. The evidence in this regard is enclosed in Page 121 and 209 of the Paper Book. This fact has not been appreciated by the lower authorities. Hence, in the interest of justice and fairplay, I deem it fit and appropriate to restore this appeal to file of Id AO for de novo adjudication in accordance with law. The Id AO is directed to examine the fact as to whether the Karta of HUF and Rajni Agarwal (member of HUF) had not claimed the TDS credit of Rs 4,66,000/- each in their respective returns. If it is found to be correct, then the Id AO should grant TDS credit to the assessee in the sum of Rs 9,32,000/- as corresponding income is considered in the hands of the assessee HUF herein, de hors the fact that the

same is exempt in the hands of the assessee. With these observations, the grounds raised by the assessee are allowed for statistical purposes.

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

Order pronounced in the open court on 23/01/2026.

-Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Dated: 23/01/2026
A K Keot

Copy forwarded to

1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi