

**IN THE INCOME TAX APPELLATE TRIBUNAL
“G” BENCH, DELHI**

**BEFORE SHRI ANUBHAV SHARMA, JUDICIAL MEMBER &
SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER**

**ITA No.8441/Del/2025
(Assessment Year:2016-17)**

Pepup Sports Ltd. ShankerChowk, Delhi Road, Opp. Old Octroi Post, Meerut, Uttar Pradesh – 250001	Vs.	ACIT, Circle 1(1)(1) AayakarBhawan, Near Bhainshali Ground, Delhi Road, Meerut, Uttar Pradesh – 250002
स्थायीलेखासं./जीआइआरसं./PAN/GIR No: AAACP8374K		
Appellant	..	Respondent

Appellant by :	Sh. Rohit Agarwal, CA
Respondent by :	Sh. Manish Gupta, Sr. DR

Date of Hearing	30.03.2026
Date of Pronouncement	08.04.2026

ORDER

PER ANUBHAV SHARMA, JM:

This appeal is preferred by the assessee against the order dated 12.11.2025 of the Ld. Addl/JCIT(A)-1 Ahmedabad (hereinafter referred as Ld. First Appellate Authority or in short Ld. ‘FAA’) in DIN& Order No.: ITBA/APL/S/250/2025-26/1082508666(1) arising out of the order dated

20.07.2020 u/s 154 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') passed by the AO for AY: 2016-17.

2. On hearing both sides we find that assessee's return was processed u/s 143(1) of the Act and a rectification application was filed challenging the levy of interest u/s 234C of the Act which was rejected by the CPC vide order dated 21.01.2017. Then assessee came to know of the fact and law that compensation received under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Re-settlement Act, 2013 reported as Long Term Capital Gain in the return filed, was an exempt income u/s 96 of the said Act and CBDT Circular No. 36 dated 25.10.2016. However, the revised ITR filing date has expired on 31.03.2018 so assessee preferred an application u/s 154 of the Act before assessing officer on 22.06.2020 and thereafter on 01.07.2020 requiring assessing officer to rectify the intimation order dated 04.01.2017 so as to treat compensation received as exempt from tax and refund the income tax paid by the assessee offered as same as LTCG. As the application was rejected by impugned order dated 20.07.2020 for which assessee preferred appeal before Id. CIT(A) u/s 246A of the Act on 13.08.2020 which has been dismissed by the impugned order

dated 12.11.2025 passed by Id. Additional/JCIT-1, Ahmedabad holding that the same is inadmissible in terms of the provisions of Section 246(1)(h) of the Act.

3. On hearing both sides we find that the impugned order has been passed by Id. First Appellate Authority Addl/JCIT(A)-1 Ahmedabad while the issue involved was the challenge of impugned rejection of application u/s 154 of the Act and the appeal was filed u/s 246A of the Act and not u/s 246 of the Act. Therefore, the appeal was supposed to be heard and decided by Id. CIT(A) and the transfer of the appeal to Id. Addl/JCIT(A)-1 Ahmedabad was beyond jurisdiction.

4. In the light of aforesaid facts and circumstances we are of the considered view that the appeal needs to be restored to the Id. First Appellate Authority to be decided afresh by Id. CIT(A). In aforesaid terms the appeal of assessee is allowed.

Order pronounced in the open court no 08.04.2026

Sd/-
(Amitabh Shukla)
ACCOUNTANT MEMBER

Sd/-
(Anubhav Sharma)
JUDICIAL MEMBER

Dated: 08.04.2026

Rohit, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT NEW DELHI