

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ "बी", चण्डीगढ़  
IN THE INCOME TAX APPELLATE TRIBUNAL, CHANDIGARH BENCH "B", CHANDIGARH

श्री आकाश दीप जैन, उपाध्यक्ष एवं श्री विक्रम सिंह यादव, लेखा सदस्य  
BEFORE: SHRI. AAKASH DEEP JAIN, VP & SHRI. VIKRAM SINGH YADAV, AM

आयकर अपील सं./ ITA NO. 683/Chd/ 2022

निर्धारण वर्ष / Assessment Year : 2017-18

Shri Dinesh Kumar Singal H.No. 2218, Urban Estate Dugri Phase-1, Ludhiana	बनाम	The ITO Ward-1, Malerkotla (Through DCIT, CPC, Bengaluru)
स्थायी लेखा सं./PAN NO: ADLPS1131L		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

निर्धारित की ओर से/Assessee by : Shri Ashwani Kumar, CA and  
Shri Aditya Kumar, CA

राजस्व की ओर से/ Revenue by : Smt. Amanpreet Kaur, Sr. DR

सुनवाई की तारीख/Date of Hearing : 18/05/2023

उदघोषणा की तारीख/Date of Pronouncement : 22/05/2023

### आदेश/Order

**PER VIKRAM SINGH YADAV, A.M. :**

This is an appeal filed by the Assessee against the order of the Ld. CIT(A), NFAC, Delhi dt. 09/09/2021 pertaining to A.Y. 2017-18 wherein the assessee has taken the following grounds of appeal:

1. "That order passed u/s 250(6) of the Income Tax Act, 1961 by the Learned Commissioner of Income Tax (Appeals), NFAC, Delhi is against law and facts on the file in as much as NFAC was not justified to uphold the addition of Rs. 3,00,000/- as rental income by way of prima facie adjustment u/s 143(1).

2. That NFAC was not justified to hold that the mistake is not apparent from record and thus, is not rectifiable u/s 154."

2. At the outset, it is noted that there is a delay in filing the present appeal as pointed out by the Registry. During the course of hearing, both the parties were heard and affidavit so filed by the assessee seeking condonation of delay was

perused and taking into consideration the facts and circumstances of the present case, we find that there was reasonable cause in late filing of the present appeal. Hence, the delay is condoned and the appeal is admitted for adjudication.

3. During the course of hearing, the Ld. AR submitted that the limited issue in the present appeal relates to the addition of Rs. 3,00,000/- under the head "income from other sources" by CPC, Bangalore while processing the return of income which is already offered to tax by the assessee under the head "income from house property". It was accordingly submitted that it has resulted in double taxation of the same income which cannot be sustained in the eyes of law.

3.1 In this regard, the Ld. AR taken us through the return of income filed by the assessee wherein the assessee has disclosed income from house property amounting to Rs. 3,00,000/- and after claiming statutory deduction @ 30%, the net amount of Rs. 2,10,000/- has been offered under the head "income from house property". It was submitted that the CPC, Bangalore while processing the return of income has accepted the assessee's income as so declared under the head "income from house property" and at the same time, carried out an adjustment by way of an addition of Rs. 3,00,000/- under the head "income from other sources".

3.2 It was submitted that the said adjustment has been done by CPC, Bangalore basis Form No. 26AS holding that there is a inconsistency between the income under the head "Income from other sources" as declared by the assessee in the return of income and has reflected in Form No. 26AS. In this regard, our reference was drawn to the Form No. 26AS wherein the assessee has received rental receipt of Rs. 3,00,000/- from M/s R. D. Associates on which tax under section 194IB has been deducted @ 10%. It was submitted that the said rental income was disclosed by the assessee under the head "income from

house property” while filing the return of income and therefore there is no basis for making the addition of the same income again under the head “Income from other sources”.

3.3 It was submitted that on receipt of the intimation under section 143(1) dt. 15/04/2019, the assessee moved a rectification application before the CPC, Bangaluru which was again dismissed. It was submitted that the assessee left with no option moved in appeal before the Ld. CIT(A) which has again not given the requisite relief to the assessee and hence the present appeal has been filed by the assessee before the Tribunal seeking necessary relief from double taxation.

3.4 It was submitted that in light of the undisputed fact that the rental income has already been offered to tax under the head “income from house property”, there is no basis for making the addition of same income under the head “income from other sources” and it was accordingly submitted that necessary relief may be provided to the assessee by deleting the addition so made by the CPC, Bangaluru and confirmed by the Ld. CIT(A), NFAC, Delhi.

4. Per contra, the Ld. DR relied on the order of the lower authorities.

5. We have heard the rival contentions and perused the material available on the record. On perusal of the return of income filed by the assessee, we find that the assessee has shown income of Rs. 2,10,000/- under the head “income from house property” wherein the annual lettable value has been shown at Rs. 3,00,000/- and statutory deduction @ 30% has been claimed. We further note that the adjustment which has been made by CPC, Bengaluru relates to the rental income of Rs 3,00,000/- from M/s R. D. Associates as reflected in Form No. 26AS which has form the basis of the adjustment done by CPC, Bangaluru wherein the same has been brought to tax under the head “income from other sources”. We therefore find that there is clearly a mistake apparent from record

while processing the return of income wherein the CPC, Bengaluru has acknowledged the rental income under the head "income from house property" as so declared by the assessee at Rs. 3,00,000/- in his return of income, and at the same time, has brought to tax again under the head "income from other sources" resulting in double taxation of same income. In view of the same, the addition of Rs. 3,00,000/- so made by the CPC, Bengaluru and confirmed by the Ld. CIT(A), NFAC, Delhi is hereby directed to be deleted.

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

Order pronounced in the open Court on 22/05/2023

Sd/-

**आकाश दीप जैन**  
(AAKASH DEEP JAIN)  
उपाध्यक्ष / VICE PRESIDENT

Sd/-

**विक्रम सिंह यादव**  
(VIKRAM SINGH YADAV)  
लेखा सदस्य/ ACCOUNTANT MEMBER

AG

Date: 22/05/2023

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,  
सहायक पंजीकार/ Assistant Registrar