IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'D', NEW DELHI

Before Sh. Satbeer Singh Godara, Judicial Member
&
Sh. S. Rifaur Rahman, Accountant Member

ITA No. 1450/Del/2023 : Asstt. Year: 2018-19

Mrs. Marguerite Lasusa Chawla, 504, ILD Trade Centre, 5th Floor, Sector-47, Near Subhash Chowk, Sohna Road, Gurgaon-122018	Vs	ACIT, International Taxation, Circel -1(2)(1), New Delhi-110002
(APPELLANT)		(RESPONDENT)
PAN No. BCIPC8206K		

Assessee by : Sh. Trandeep Singh, Adv.
Revenue by : Sh. Tanay Sharma, Sr. DR

Date of Hearing: 06.03.2025		**Date of Pronouncement: 19.03.2025**

ORDER

Per Satbeer Singh Godara, Judicial Member:

This assessee's appeal for Assessment Year 2018-19, arises against the CIT(A)-42, Delhi's DIN & order No. ITBA/APL/S/250/2022-23/1050682722(1) dated 13.03.2023, in proceedings u/s 154 of the Income Tax Act, 1961 (in short "the Act").

2. Heard both the parties at length. Case file perused.

3. The assessee pleads the following substantive grounds in the instant appeal:

> *"1. That on facts and in law the order u/s 143(1) dated 20th March 2020 passed by CPC Bangalore {herein after referred to as the "CPC-AO"}, order u/s 154 dated 24th*

August 2021 passed by the Assistant Commissioner of Income Tax {herein after referred to as the and impugned order dated 13th March 2023 passed by the Commissioner of Income Tax (Appeal) {herein after referred to as the "CIT(A)"} are bad in law and void ab initio.

2. That on facts and in law the CIT(A) has erred in upholding the action of CPC-AO and the AO is not allowing credit for advance tax of Rs 3,65,00,000/- deposited on 15th September 2015 to the appellant in AY 2018-19.

3. Without Prejudice, that on facts and circumstances of the case and in law directions be issued excluding income from Capital Gains of Rs 8,19,99,647/- from the scope of Total Income chargeable to tax in hands of the appellant for AY 2018-19."

4. It emerges during the course of hearing that the assessee has filed her section 154 rectification before the learned lower authorities seeking credit of the advance tax amounting to Rs.3,65,00,000/-; deposited on 15.09.2015, which stands rejected in the Assessing Officer's order dated 24.08.2021 for the sole reason that the same had not been deposited during F.Y. 2017-18 relevant to A.Y. 2018-19.

5. That being the case, learned counsel first of all invites our attention to the assessee's paper book at page 49 containing the CPC's "processing" wherein she has been declined the advance tax relief in question. Mr. Trandeep Singh next takes us to the corresponding advance tax payment challan dated 15.09.2015 for A.Y. 2016-17. He clarifies in the factual

backdrop that the assessee infact happens to be a US resident who had inherited the corresponding capital asset(s) after death of her husband Mr. Harinder Pal Singh Chawla. It is further stated at the assessee's behest that although the foregoing transaction was supposed to have been finalized in F.Y. 2015-16, there arose civil dispute(s) between the parties which ultimately got settled in F.Y. 2017-18. We are further invited to the corresponding settlement agreement dated 03.03.2018 forming part of the case record (page 39) as well.

6. The Revenue's comes on the other hand is that the assessee has rightly been declined advance tax credit of the advance taxes paid in F.Y. 2016-17 for A.Y. 2018-19 before us.

7. Learned counsel's case in rebuttal is that till date, no benefit has been claimed regarding the assessee's foregoing advance tax payment.

8. Be that as it may, we are of the considered view that once the transaction itself between the parties for sale/transfer of capital asset(s) could not be finalized in A.Y. 2016-17, the very fact that the advance tax has been paid in the said F.Y. 2015-16, it's adjustment in the year of ultimate settlement i.e. A.Y. 2018-19 has to be granted in these peculiar circumstances. We

accordingly find merit in the assessee's instant sole ground and direct the learned Assessing Officer to frame his afresh consequential computation as per law. Ordered accordingly.

9. This assessee's appeal is allowed.

Order Pronounced in the Open Court on 19/03/2025.

Sd/-
(S. Rifaur Rahman)
Accountant Member

Sd./-
(Satbeer Singh Godara)
Judicial Member

Dated: 19/03/2025
Subodh Kumar, Sr. PS
Copy forwarded to:
1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR