

Tribunal cannot review its earlier order u/s 254: ITAT

Summary – The Amritsar ITAT in a recent case of Sakun Aggarwal, (the Assessee) held that Tribunal cannot review its earlier order u/s 254

Facts

- A survey was conducted at business premises of the assessee after which the assessee filed return of income. Based on the documents seized it was revealed that the assessee had purchased land in cash and thus disallowance was made and added back to his income under section 40A(3).
- On appeal, the Commissioner (Appeals) allowed the appeal of assessee and deleted the disallowance.
- On further appeal, the Tribunal confirmed the relief.

Held

- The ITAT stated that the scope for rectification of the order is very limited and depends upon the mistake apparent from the record and Tribunal can only rectify its mistakes apparent from the record and the provision of rectification does not permit the Tribunal to review its earlier order.
- The ITAT held that in the instant case it does not appear that there is any mistake apparent from record because the co-ordinate bench while adjudicating the appeal under challenge, though have taken note of order passed by the Tribunal in assessee's own case for an earlier assessment year and applied its mind independently. Therefore there is no error apparent from record.