

Interest on enhanced refund to be granted from date of filing revised ITR and not original ITR

Summary – The High Court of Kerala in a recent case of HHA Tank Terminal (P.) Ltd., (the Assessee) held that interest on enhanced refund to be granted from date of filing revised ITR and not original ITR

Facts

- For relevant year the assessee filed a original return and then a revised return. The assessee was issued with an order computing refund and no interest was computed under section 244. The assessee filed an application under section 154 after which the entire refund was effected.
- The assessee's appeal was dismissed by the Tribunal which was earlier allowed by CIT(A):
- On appeal:

Held

- In the present case the assessee had filed the original return which was processed and a refund was issued. Subsequently, revised return was filed, claiming a higher refund. Hence, necessarily, the refund as now ordered by the Assessing Officer can only relate back to the date of filing of the revised return. The delay in claiming the enhanced refund can only be attributable to the assessee and the same was claimed by a revised return and that the claim for interest can arise only from the date of revised return.
- The assessee's appeal is partly allowed.