

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH: 'B' NEW DELHI**

**BEFORE SHRI G.D. AGRAWAL, HON'BLE PRESIDENT
AND
SHRI SUDHANSHU SRIVASTAVA, JUDICIAL MEMBER**

**ITA No. 3992/Del /2013
Assessment Year: 2006-07**

Income Tax Officer(TDS), MBD, M/s Canara Bank, Amroha Gate, Moradabad.	vs	M/s Canara Bank, Amroha Gate, Moradabad. (TAN: LKNCO5458F)
(Appellant)		(Respondent)

**C.O. No. 246/Del/2013
(IN ITA No. 3992/Del /2013)
Assessment Year: 2006-07**

M/s Canara Bank, Amroha Gate, Moradabad. (TAN: LKNCO5458F)	vs	Income Tax Officer(TDS), MBD, M/s Canara Bank, Amroha Gate, Moradabad.
(Appellant)		(Respondent)

Appellant by : Shri F.R. Meena, Sr. DR
Respondent by: Shri Umesh Singh, Sr. Manager

**Date of Hearing : 23.10.2017
Date of Pronouncement: 31.10.2017**

ORDER

PER BENCH:

This appeal has been preferred by the department against the order passed by the ld. CIT(A), Bareilly for financial year 2006-07

wherein vide order dated 6.3.2013, the ld. CIT(A) had quashed the order dated 24.01.2012 passed by the ITO(TDS) Moradabad as having been barred by limitation. The CO has been preferred by the assessee and supports the order passed by the ld. CIT(A).

2. The facts of the case are that order u/s 201(1) and 201(1A) of the Income Tax Act, 1961 was passed on 20.01.2012 raising a demand against the deductor/assessee amounting to Rs. 14,69,781/-. The demand pertains to Quarter 4 of financial year 2006-07. As per the demand generated by the system, there was a short payment of Rs. 8,70,670/-.

3. The assessee preferred an appeal before the ld. CIT(A) and contended that the case was barred by limitation as the statement in Form 26Q was filed by the assessee on 17.7.2007 and, therefore, as per the provisions of section 201(3) of the Income Tax Act, 1961, the order should have been passed before the expiry of two years from the end of the financial year in which the statement was filed. It was submitted that as the financial year ended on 31.03.2008, the order should have been passed on or before 31.3.2010. However, the order was passed on 24.1.2012. The ld. CIT(A) allowed the assessee's appeal by holding that the order was barred by limitation and now, the

department has approached the ITAT challenging quashing the order of the ld. CIT(A).

4. The ld. Sr. DR submitted that there was an amendment to section 201(3) of the Act which had come into effect from 1.4.2010 only and before that, there was no time limit for passing order u/s 201(1) of the Act and, therefore, the ld. CIT(A) had erred in holding that the order was barred by limitation.

5. Mr. Umesh Singh, Senior Manager of the assessee bank appearing on behalf of the assessee, submitted that the order was passed on 20.01.2012 and was, therefore, very much covered by the amendment which came into effect on 1st April, 2010. Reliance was placed on the order of the ld. CIT(A).

6. We have heard the rival submissions and perused the material available on record. It is undisputed that the amendment to section 201(3) came into effect from 1st April, 2010 and it is also undisputed that the order under challenge was passed on 21.1.2012. Therefore, the order was very much passed beyond the limitation period. Although the ld. DR has supported the order of the Assessing Officer, he could not point out any legal infirmity in the provision applied by the ld. CIT(A).

Under the circumstances, we do not find any reason to interfere with the findings recorded by the ld. CIT(A) and we dismiss the department's appeal.

7. The C.O. of the assessee being filed in support of order of the ld. CIT(A) stands allowed.

8. In the result, the appeal of the department is dismissed while the C.O. of the assessee is allowed.

The order is pronounced in the open court on 31st October, 2017.

Sd/-

**(G.D. AGRAWAL)
PRESIDENT**

Sd/-

**(SUDHANSHU SRIVASTAVA)
JUDICIAL MEMBER**

Dated: 31st October, 2017

'GS'

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR, ITAT

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By Order

ASSISTANT REGISTRAR