

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

BEFORE SHRI N.K. BILLAIYA, ACCOUNTANT MEMBER
AND MS SUCHITRA KAMBLE, JUDICIAL MEMBER

ITA No. 4539/DEL/2016
[A.Ys 2011-12]

BPTP Ltd.,
M-11, Middle Circle,
Connaught Circus,
New Delhi - 110 001

Vs.

The D.C.I.T
TDS-CPC, Aaykar Bhawan,
Sector -3, Vaishali
Ghaziabad (U.P.) - 201 010

PAN No: AACCB 2442 A

[Appellant]

[Respondent]

Date of Hearing : 18.02.2020
Date of Pronouncement : 18.02.2020

Assessee by : Shri Ajay Bhagwani, CA
Revenue by : Shri Saras Kumar, Sr. DR

ORDER

PER N.K. BILLAIYA, ACCOUNTANT MEMBER,

This appeal by the assessee is preferred against the order of the Commissioner of Income Tax (Appeals)-41, New Delhi dated 10.05.2016 pertaining to Assessment Year 2011-12.

2. The first grievance of the assessee relates to charging of interest u/s 201(1A) of the Income tax Act, 1961 [hereinafter referred to as 'The Act' for short] amounting to Rs. 2,78,697/- for late deposit of TDS.

3. Facts relating to this issue show that TDS deducted in the month of November 2010 was required to be deposited on or before 07.12.2010. However, because of Income tax search at the premises of the assessee, the assessee claimed to have been held up in the search proceedings and, therefore, could not deposit the tax deducted at source on or before the due date.

4. Before us also, the ld. counsel for the assessee reiterated and contended that there was reasonable cause for delay in depositing the tax. In our considered opinion, charging of interest u/s 201(1A) of the Act is mandatory in nature and there is no provision of waiver of the same. The interest is charged automatically and there is no question of any reasonable cause. We, therefore, do not find any merit in the submissions of the ld. counsel for the assessee. Addition of Rs. 2,78,697/- is confirmed.

5. Second grievance relates to charging of interest of Rs. 3,39,413/- u/s 201(1A) of the Act.

6. Facts relating to this issue are that the due date for deposit of TDS was 07.1.2011 and the assessee did deposit the TDS on the due date which is evident from the copy of bank statement. Interest has been levied because on OLTAS the tax has been shown as deposited on 08.01.2011 resulting into automatic levy of interest.

7. In our considered opinion, when the payments have been electronically made on 07.01.2011, which is the due date and the money has flown from the bank account of the assessee, it should not make any difference when the same was shown as credited on OLTAS. On these facts, we are of the view that the assessee has deposited tax on or before the due date. Therefore, the Assessing Officer is directed to delete the addition of Rs. 3,39,413/-

8. In the result, the appeal filed by the assessee in ITA No. 4539/DEL/2016 is partly allowed.

The order is pronounced in the open court on 18.02.2020

Sd/-
[SUCHITRA KAMBLE]
JUDICIAL MEMBER

Sd/-
[N.K. BILLAIYA]
ACCOUNTANT MEMBER

Dated: 18th February, 2020

Copy forwarded to:

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

Asst. Registrar,
ITAT, New Delhi