

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'B' BENCH, CHENNAI
श्री वी दुर्गा राव न्यायिक सदस्य एवं श्री जी. मंजुनाथा, लेखा सदस्य के समक्ष
Before Shri V. Durga Rao, Judicial Member &
Shri G. Manjunatha, Accountant Member

आयकर अपील सं./I.T.A. No. 1613/Chny/2019
निर्धारण वर्ष/**Assessment Year:2010-11**

M/s. Sri Ramana Heavy Engineering P. Ltd., AP-769, 10th Sector, 59th Street, KK Nagar, Chennai 600 078. [PAN:AAJCS3174P] Vs. The Assistant Commissioner of Income Tax, Corporate Circle 6(4), Chennai.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri M. Karunakaran, Advocate
प्रत्यर्थी की ओर से/Respondent by : Shri G. Johnson, Addl. CIT
सुनवाई की तारीख/ Date of hearing : 06.04.2022
घोषणा की तारीख /Date of Pronouncement : 05.05.2022

आदेश /O R D E R

PER V. DURGA RAO,, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals) 16, Chennai, dated 19.02.2019 relevant to the assessment year 2010-11 challenging the appellate order of confirming the levy of penalty under section 221(1) of the Income Tax Act, 1961 ["Act" in short].

2. Brief facts of the case are that the assessee filed his return of income for the assessment year 2010-11 on 27.09.2010 and self-assessment tax amounting to Rs.6,03,972/- was not paid. Therefore,

the Assessing Officer passed penalty order under section 221(1) of the Act dated 10.02.2011 levying penalty of Rs.1,50,000/- for failure to pay the self-assessment tax under section 140A(3) of the Act. On appeal, the Id. CIT(A) confirmed the penalty levied under section 221(1) of the Act.

3. On being aggrieved, the assessee is in appeal before the Tribunal. While reiterating the submissions as made before the Id. CIT(A), the Id. Counsel for the assessee has submitted that the assessee could not remit the tax on the date of filing of return of income solely due to insufficient liquid funds. It was further submission that despite incurring huge cash loss in the subsequent years, the assessee remitted the self-assessment tax amount of Rs.6,03,972/- on 04.03.2011 and prayed for deleting the penalty levied under section 221(1) of the Act.

4. On the other hand, the Id. DR relied on the orders of authorities below.

5. We have heard both the sides, perused the materials available on record and gone through the orders of authorities below. In this

case, the self-assessment tax under section 140A(3) of the Act was not paid before filing the return of income by the assessee. Therefore, the Assessing Officer has levied penalty under section 221(1) of the Act. It is not in dispute that the assessee has not at all paid the self-assessment tax, but it was paid within six months i.e., on 04.03.2011 and also produced challan before the Id. CIT(A). Since the assessee has paid the self-assessment tax within six months of filing of return of income and also produced the challan before the Id. CIT(A), we are of the considered opinion that the penalty levied under section 221(1) of the Act is liable to be deleted. Accordingly, the penalty levied under section 221(1) of the Act is deleted.

6. In the result, the appeal filed by the assessee is allowed.

Order pronounced on the 05th May, 2022 in Chennai.

Sd/-
(G. MANJUNATHA)
ACCOUNTANT MEMBER

Sd/-
(V. DURGA RAO)
JUDICIAL MEMBER

Chennai, Dated, 05.05.2022

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to: 1. अपीलार्थी/Appellant, 2. प्रत्यर्थी/Respondent, 3. आयकर आयुक्त (अपील)/CIT(A), 4. आयकर आयुक्त/CIT, 5. विभागीय प्रतिनिधि/DR & 6. गार्ड फाईल/GF.