

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH "H" DELHI**

**BEFORE SHRI SAKTIJIT DEY, JUDICIAL MEMBER  
&  
SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER**

I.T.A. No.5965/DEL/2019  
Assessment Year 2014-15

ACIT, Circle-76(1), New Delhi.	Vs.	TCIL Bina Toll Road Ltd., New Delhi.
TAN/PAN: AAECT3465H		
(Appellant)		(Respondent)

Appellant by:	Shri Suyesh Sinha, Adv. Shri Rahul Yadav, Adv.		
Respondent by:	Shri Gireesh Kumar, Sr.DR		
Date of hearing:	06	12	2022
Date of pronouncement:	06	12	2022

**ORDER**

**PER PRADIP KUMAR KEDIA, A.M.:**

The captioned appeal has been filed by the Revenue against the order of the Commissioner of Income Tax (Appeals)-XXXI, New Delhi ['CIT(A)' in short] dated 12.02.2019 arising from the assessment order dated 09.10.2014 passed by the Assessing Officer (AO) under Section 200A(1) of the Income Tax Act, 1961 (the Act) concerning AY 2014-15.

2. Briefly stated, the assessee is a subsidiary of Telecommunication Consultants India Ltd. (TCIL), a Government of India Undertaking under the administrative control of Ministry of Communication. As stated, the assessee company deducted TDS at a lower rate of 0.25% on payments made to its holding company, i.e., TCIL in compliance of

certificate furnished to it by the holding company. However, the assessee-company at the time of depositing the TDS deducted inadvertently and wrongly mentioned TAN allotted by Delhi office, i.e., DELT10348C instead of TAN of Bina Madhya Pradesh Unit, i.e., BPLT01777G and filed its TDS return accordingly with its Delhi TAN. In essence, the assessee-company mentioned wrong TAN instead of correct TAN on which the lower deduction certificate was issued under Section 197 to the holding company of the assessee. Due to the inadvertent mistake in quoting TAN of different unit, the Assessing Officer created a demand u/s.200A alleging lesser deduction of tax on payments made to holding company.

3. Aggrieved by the demand raised under Section 200A of the Act, the assessee preferred appeal before the CIT(A). The CIT(A) took note of the factual matrix and called for the remand report from the Assessing Officer. The CIT(A) found merit in the plea of the assessee on first principles towards inadvertent mistake in mentioning wrong TAN while applying lower percentage of tax rate under Section 194C of the Act. The CIT(A) thus directed the Assessing Officer to grant relief from the demand arising for wrong mention of TAN after due verification of facts. The relevant operative paragraph of the order of the CIT(A) is reproduced hereunder:

*“4. I have carefully considered the facts on record and submissions of the Ld. AR including the decisions relied upon by him.*

*4.1 The only ground of appeal raised by the appellant pertains to the demand created u/s.200A at Rs.1,22,36,670/-. Undisputedly, the appellant company has two TANs, one for Delhi office and other for Bina office. The appellant company got executed the toll*

*road project situated at Bina Kurwaj Sironj Toll Road (MP) through its subsidiary company Telecommunication Consultants India Ltd which obtained a Lower Deduction Certificate at 0.25% dated 01.08.2013 from DCIT, TDS Circle051(1), Delhi in respect of various deductors including the appellant company. While mentioning the name of appellant company, the TAN, i.e., BPLT01777G of Bina office was mentioned. The deductor appellant was authorized to make payments worth Rs.75,00,00,000/- to Telecommunication Consultants India Ltd. by deducting TDS at 0.25%. Undisputedly, the appellant has made payments in respect of the same Toll Road Project and no other work, in fact, was executed. Thus, it appears that the payments made by the appellant company to Telecommunication Consultants India Ltd. are pertaining to the Bina Toll Road Project located at Bina, (M.P.) and hence the mistake being bona fide has to be rectified. The Assessing Officer is accordingly directed to allow consequential relief, after considering the above factual position with due verification. Thus, appellant succeeds partly.”*

4. On perusal of the first appellate order and the factual matrix pointed out on behalf of the assessee, we find that the order of the CIT(A) in granting relief to the assessee is founded on fair play and natural justice. In the instant case, the assessee has obtained two TAN from the Department in its name, one is taken for office at Bina Madhya Pradesh and another one is taken at Delhi. The assessee has deducted TDS on contractual payments to its holding company under Section 194C of the Act @0.25% as per the lower deduction certificate issued under Section 197 to the holding company of the assessee company. Based on the certificate issued, the assessee has deducted TDS @ 0.25% as mandated in the certificate. However while depositing the TDS deducted, the assessee has wrongly mentioned the TAN allotted for Delhi office instead of Bina Madhya Pradesh Office. This fact was also brought to the notice of the Department immediately but the defect could not be cured in the absence of any provision for such type of rectification.

The CIT(A), in the factual matrix, has taken a just and fair decision and reversed the demand under Section 200A attributable to merely wrong mention of TAN in the TDS deposit challan. We see no error in the relief granted by the CIT(A) on equitable grounds. Consequently, the order of the CIT(A) is upheld.

5. In the result, the appeal of the Revenue is dismissed.

**Order pronounced in the open Court on 06/12/2022.**

Sd/-

**[SAKTIJIT DEY]  
JUDICIAL MEMBER**

DATED: /12/2022

*Prabhat*

Sd/-

**[PRADIP KUMAR KEDIA]  
ACCOUNTANT MEMBER**