

**IN THE INCOME TAX APPELLATE TRIBUNAL,
MUMBAI BENCH "G", MUMBAI**

**BEFORE SHRI AMARJIT SINGH, ACCOUNTANT MEMBER
AND MS. KAVITHA RAJAGOPAL, JUDICIAL MEMBER**

**ITA No.4603/Mum/2023
Assessment Year: 2018-19**

SVC Co-operative Bank Limited SVC Tower Nehru Road, Santacruz (East), S.O. Mumbai- 400055. PAN: AAAAT 0177 C	vs.	DCIT, Circle-1(3)(1), Mumbai
(Appellant)		(Respondent)

Present for:

Assessee by : Shri Rajeev Waglay, Advocate
Revenue by : Dr. Kishor Dhule, CIT, DR

Date of Hearing : 06.08.2024

Date of Pronouncement : 21.10.2024

ORDER

PER AMARJIT SINGH, ACCOUNTANT MEMBER:

This appeal of the assessee for the assessment year 2018-19 is directed against the order dated 19.10.2023 passed by the Id. Commissioner of Income-tax (Appeal), NFAC, Delhi. The assessee has raised the following grounds of appeal:

1. *The Id. Assessing officer erred in disallowing 30% of expenditure of Rs. 1,35,443/- due to non-deduction of taxes u/s 40(a)(ia) of the I.T. Act, 1961 when tax is deducted by the appellant.*
2. *The Id. Assessing officer erred in disallowing employees contribution to provident fund u/s 36(1)(va) of Rs. 2,94,443/-.*
3. *The appellant craves, leave to add, alter, amend or delete all or any of the grounds of appeal either before or during the course of appellate proceedings."*

2. Fact in brief is that return of income declaring total income of Rs. 1,52,94,09,590/- was filed on 29.09.2018. During the course of assessment, assessing officer has disallowed contractual payment of Rs. 4,51,477/- for not deducting tax as per section 194C of the Act. In the appeal, the ld. CIT(A) has restricted the disallowance to the extent of proportionate disallowance of Rs. 1,35,443/- (30% of Rs. 4,51,477/-) made by the assessing officer u/s 40(a)(ia) due to default u/s 194C in respect of payment to contractor made by the assessee.

3. Heard both the sides and perused the material on record. The ld. Counsel submitted that in respect of expenses totaling to Rs. 4,51,477/- taxes has been deducted in accordance with law and in support of its contention, the assessee has filed copies of two challans of Rs. 2,241/- and Rs. 2,240/- to substantiate that due taxes of Rs. 4,516/- in respect of payment of expenses of Rs. 4,51,477/- was deducted by the assessee. In support of its claim, the assessee has also filed detail of tax deducted at source in respect of payment of Rs. 4,51,477/- made on account of service charges of premises paid to Mrs. Matilda D'Souza.

4. Considering the above facts and relevant supporting evidences, we direct the assessing officer to delete the impugned disallowance after verification of the copies of challans furnished by the assessee. Therefore, ground no. 1 of the appeal of the assessee are allowed for statistical purposes.

5. Ground no. 2 in respect of disallowing employee's contribution to PF u/s 36(1)(va) of Rs. 2,94,443/- is not pressed before us therefore the same stand dismissed.

6. In the result, the appeal of the assessee is partly allowed for statistical purposes.

Order pronounced in the open court on 21.10.2024.

Sd/-
(MS. KAVITHA RAJAGOPAL)
JUDICIAL MEMBER

Sd/-
(AMARJIT SINGH)
ACCOUNTANT MEMBER

Mumbai, Dated: 21.10.2024
Biswajit, Sr. P.S.

Copy to:

1. The Appellant:
2. The Respondent:
3. The CIT,
4. The DR

//True Copy//

By Order

Assistant Registrar
ITAT, Mumbai Benches, Mumbai

1. Date of Dictation.....
2. Date on which the typed order is placed before the dictating Member and other Member.....
3. Date on which the order came back to Sr. PS.....
4. Date on which file goes to the Bench Clerk.....
5. Date of which the file goes to the O.S.....
6. Date of dispatch of the order.....