

**आयकर अपीलीय अधिकरण, हैदराबाद पीठ**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**Hyderabad 'B' Bench, Hyderabad**

**BEFORE SHRI VIJAY PAL RAO, VICE PRESIDENT**  
**AND**  
**SHRI MANJUNATHA G. ACCOUNTANT MEMBER**

आ.अपी.सं / **ITA No.1795/Hyd/2025**  
Assessment Year 2014-2015

Resolute Electronics Private Limited, Medchal, RR Dt.Telangana. PAN AABCR5515K (Appellant)	vs.	The Income Tax Officer, Ward-3(1), Hyderabad. Telangana. (Respondent)
निर्धारिती द्वारा / Assessee by:	CA P Murali Mohan Rao	
राजस्व द्वारा / Revenue by:	Dr. Sachin Kumar, Sr. AR	
सुनवाई की तारीख / Date of hearing:	12.01.2026	
घोषणा की तारीख / Pronouncement:	21.01.2026	

**आदेश / ORDER**

**PER VIJAY PAL RAO, VICE PRESIDENT :**

This appeal by the Assessee is directed against the Order dated 04.08.2025 of the learned CIT(A)-11, Hyderabad, for the assessment year 2014-2015.

2. The assessee has raised the following grounds of appeal:

1. *“The order of the Ld. CIT (A) u/s 250 of the Act dt. 04/08/2025 against the order u/s 201(1) of the IT Act, 1961 dt. 27/03/2017 for the AY 2014-15 is erroneous both on facts and in law to the extent the order is prejudicial to the interests of the appellant.*
2. *The Ld. CIT (A) erred in sustaining the TDS demand raised, without considering the facts and circumstances of the case.*
3. *The Ld. CIT(A) erred in upholding the AO's decision in arriving at the Rs.25,48,754/- towards non deduction and non-remittance of TDS*
4. *The Ld. CIT(A) ought to have considered the fact that no payment towards salaries were made during FY 2013-14 and that the accrued salaries payable were reversed during the subsequent years due to financial problems which were beyond the control of assessee.*
5. *The Ld. CIT(A) ought to have fairly appreciated the facts that the unpaid salaries in FY 2013-14 were settled on mutual agreement basis in the subsequent year only and thus there is no TDS liability in that year.*
6. *The LD.CIT(A) ought to have considered that the unpaid salary was paid partly on lumpsum basis and that it is only compensatory in nature and that there is no TDS liability u/s 192 of the Act.*
7. *Without prejudice to the above grounds, the Ld. CIT(A) ought to have appreciated that the TDS amount identified by statutory auditors is basing on the salary payable and not on the proportionate lower amount paid on mutual agreed basis and thus, the TDS amount would be far lower than this demand raised.*
8. *Appellant may, add or alter or amend or modify or substitute or delete and/or rescind all or any of the grounds of appeal at any time before or at the time of hearing of the appeal.”*

3. The assessee is a Private Limited Company and engaged in the business of manufacturing of PCBAs, electronic circuit boards etc. A survey was conducted in the case of the assessee on 13.02.2025 to verify the TDS remittances as per Chapter XVII-A & B of the Income Tax Act [in short “the Act”], 1961. During the course of survey, the Managing Director of the assessee company explained that in the year 2010-2011 the assessee got an order from IIT, Rajasthan for manufacture Aakash Tablets [Tablet PCs] through Data Wind of UK. However, the Tablets were not taken by the Government of India due to low specifications and thereby incurred huge loss by the assessee company as all the inventories are lying unutilized. In order to verify the correctness of the TDS liability and compliance to the TDS provisions, the Assessing Officer initiated proceedings u/sec.201(1) of the Act. In the order passed u/sec.201(1) of the Act dated 27.03.2017, the Assessing Officer determined the tax liability of Rs.25,48,754/- for the assessment year 2014-2015 for non-compliance of TDS remittances. The

assessee challenged the action of the Assessing Officer before the learned CIT(A) but could not succeed.

4. Before the Tribunal, the learned Authorised Representative of the Assessee has submitted that though the Assessing Officer has raised the demand of Rs.25,48,754/- on account of non-payment of TDS, however, as per the details of outstanding demand u/sec.201 available on the system of the department, there is Rs. NIL outstanding for the assessment year 2014-2015. He has filed copy of the details of the outstanding demand against the assessee under TAN HYDR00984E. The learned Authorised Representative of the Assessee has also filed copy of the audit report in Form-3CA and submitted that even in the audit report there is no outstanding of TDS payment for the assessment year under consideration, except a sum of Rs.2,13,682/-. Thus, the learned Authorised Representative of the Assessee has submitted that when the system of the department is not showing any payment for the assessment year under consideration u/sec.201 and the audit report also showing only a sum of Rs.2,13,682/- as not paid during the year

under consideration which was subsequently paid by the assessee resulting Rs. NIL demand, then the order passed by the Assessing Officer u/sec.201(1) determining the liability of the x at Rs.25,48,754/- is highly arbitrary and unjustified. He has thus pleaded that the matter may be remanded to the record of the Assessing Officer for re-consideration after verification of the record.

5. On the other hand, the learned DR has raised no serious objection if the matter is remitted to the Assessing Officer for verification of the necessary record and then deciding the matter.

6. We have considered the rival submissions as well as the relevant material on record. The Assessing Officer determined the liability u/sec.201 due to default of remittance of the TDS for the assessment year 2013-2014 at Rs.25,48,754/- as under:

*“The proceedings are concluded based on the material gathered during the course of survey and also statement recorded from the Managing Director and the relevant Question No.8 and answer to the same is reproduced as under:*

Q8	<p><i>As seen from the annual reports for the financial year 10-11 onwards the following amounts are shown as TDS payable for more than six months as certified by your C.A.</i></p> <p><i>F.Y. 2010-11- Nil</i></p> <p><i>F.Y.2011-12 Rs.74,45, 894/-</i></p> <p><i>F.Y:2012-13 Rs.22,96,244/-</i></p> <p><i>F.Y.2013-14 -Rs. 25,48,754/-</i></p> <p><i>Please clarify whether the above TDS outstanding relates to that particular financial year or a progressive figure, particularly considering that no TDS liability is shown as outstanding for the financial year 2010-11 in the annual report given by Chartered Accountant. Have you paid the above TDS.</i></p>
A	<p><i>I submit that the accountant who was looking after the accounts left the company. Further there was also change in auditors during the last two years. Some reconciliation is to be made with regard to the actual TDS liability. With regard to payment of TDS we have paid part of the TDS only and still there are some dues. I will furnish the correct position with regard to TDS liability year wise, payment made and outstanding as on date within two days.</i></p>

*Relying on the assessee-deductors financial statements for the year under consideration and admission of Managing Director in the above statement that the TDS liability of Rs.25,48,754/-is as per their own statutory auditors report*

*and the same was not remitted so far or if partly remitted not furnished any proof. The proceedings are concluded by arriving the TDS non-remittances @ Rs.25,48,754/-, leaving interest chargeable u/s.201(1A) till the date of remittance of actual TDS. Demand Notice u/s.156 is enclosed.”*

6.1. Thus, the Assessing Officer has just taken the statement of the Managing Director recorded during the survey and not verified the other relevant record about the exact outstanding of TDS remittances on the part of the assessee company for the year under consideration. The learned CIT(A) has confirmed the order of the Assessing Officer on the ground that the Assessing Officer has passed the order based on the fact found During the course of survey proceedings. Now the learned Authorised Representative of the Assessee has produced the details of the outstanding demand u/sec.201 for the assessment years 2008-2009 to 2010-2011 and 2014-2015 as under:

Income Tax Department  
WARD (TDS) 2(4),HYDERABAD  
I. T. TOWERS, A.C. GUARDS,  
HYDERABAD

*MD*

Name & Address : RESOLUTE ELECTRONICS PRIVATE LIMITED  
12-50/4/A, BLOCK B, NEXT TO INDUSTRIAL ESTATE, MEDCHAL, R.R.DISTRICT,

Document Identification No : 21012025/01405/CD

SUB : Intimation of Outstanding Demand

On perusal of your records in the system, it is found that following demand is outstanding against your TAN HYDR00984E

For TAN: HYDR00984E, Name of TAN: RESOLUTE ELECTRONICS PRIVATE LIMITED					
Financial Year	CPC Processed demand generated from 18 October 2012 (Rs.)	Demands Uploaded by Field AO (Rs.)	CPC Generated (Penalty, 201 etc) Demand (Rs.)	ITD System Demand generated up to 18 October 2012 (Rs.)	Gross Demand Amount (Rs.)
2008-09	-	-	-	0.00	0.00
2009-10	48900.00	-	-	-	48900.00
2010-11	231120.00	-	-	-	231120.00
2014-15	-	95789.00	-	-	95789.00
Total Amount (Rs.)	280020.00	95789.00	0	0.00	375809.00

You are hereby, requested to please pay the demand or take the corrective action without any further delay. In case of any query, you may appear before the undersigned on \_\_\_\_\_ at \_\_\_\_\_ in person or through your authorized representative.

VENKATA SATYA JOGA RAO JOGA RAO  
BHAMIDIPATI  
WARD (TDS) 2(4),HYDERABAD  
I. T. TOWERS, A.C. GUARDS,  
HYDERABAD

6.2. Thus, as per the details taken from the system of the department, there is Rs. NIL demand for the assessment year 2014-2015 u/sec.201 of the Act. We further note that in

the audit report in Form-3CA as per column-21(B) the outstanding TDS payment/remittances are given as under:

(B) Details of payment on which tax has been deducted but has not been paid during the previous year or in the subsequent year before the expiry of time prescribed under section200(1)										
	Date of payment	Amount of payment	Nature of payment	Name of the payee	PAN of the payee, if available	Address Line 1	Address Line 2	City or Town or District	Pincode	Amount of tax deducted
	2013-03-31	222171	CONTRACTS	INDIVIDUAL		HYDERABAD		HYDERABAD	500009	222171
	2013-03-31	40024	RENT	INDIVIDUAL		HYDERABAD		HYDERABAD	500009	40024
	2014-03-31	213682	PROFESSIONAL	INDIVIDUAL		HYDERABAD		HYDERABAD	500009	213682
	2013-03-31	358227	INTEREST	INDIVIDUAL		HYDERABAD		HYDERABAD	500009	358227

6.3. Therefore, the audit report also showing only Rs.2,13,682/- as an outstanding remittance. By considering these details and documents it appears that the outstanding details of TDS as given in the audit report in Form-3CA was subsequently paid by the assessee and, therefore, the details furnished by the learned Authorised Representative of the Assessee taken from the system of the Income Tax department showing Rs. NIL demand. However, all these details and relevant record are required to be verified and examined at the level of the Assessing Officer. Accordingly, in the facts and circumstances of the case, the matter is remitted to the record of the Assessing Officer for

reconsideration, after verification and examination of the relevant details and record filed by the assessee.

7. In the result, appeal of the Assessee is allowed for statistical purposes.

Order pronounced in the open Court on 21.01.2026.

Sd/-  
[MANJUNATHA G.]  
ACCOUNTANT MEMBER

Sd/-  
[VIJAY PAL RAO]  
VICE PRESIDENT

Hyderabad, Dated 21<sup>st</sup> January 2026.

VBP

Copy to :

1.	Resolute Electronics Private Limited, Medchal, RR Dt. C/o. P. Murali & Co. Chartered Accountants, 6-3-655/1/3, Somajiguda, Hyderabad - 500 082.
2.	The Income Tax Officer, Ward-3(1), Hyderabad. Telangana.
3.	The CIT(A)-11, 6 <sup>th</sup> Floor, Aaykar Bhavan, Basheerbagh, Hyderabad - 500 004. Telangana.
4.	The Pr. CIT-1, Hyderabad.
5.	The DR, ITAT, "B" Bench, Hyderabad.
6.	Guard file.

BY ORDER

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