

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'C' BENCH, KOLKATA**

Before

**SHRI GEORGE MATHAN, JUDICIAL MEMBER
&
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**ITA No.: 2401/KOL/2025
Assessment Year: 2017-18**

Mech Secons (Appellant)	Vs.	D.C.I.T., CC-3(3), Kolkata (Respondent)
PAN: AAAAM4569K		

Appearances:

Assessee represented by : Arvind Agarwal, Advocate.

Department represented by : Altaf Hossain, Addl. CIT.

Date of concluding the hearing : 29-December-2025

Date of pronouncing the order : 28-January-2026

ORDER

PER RAKESH MISHRA, ACCOUNTANT MEMBER:

This appeal filed by the assessee is against the order of the Commissioner of Income Tax (Appeals)- 21, Kolkata [hereinafter referred to as Ld. 'CIT(A)'] passed u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for AY 2017-18 dated 22.08.2025.

1.1 It was submitted by the Ld. AR, at the outset that there was a delay of 3-4 days in filing the appeal as the documents were in transit. The assessee has filed an application seeking condonation of delay along with an affidavit in which the delay of 6-7 days is mentioned and which is attributed to certain unavoidable circumstances, the ongoing festival season of Durga Puja and other festivals, the heavy rains in monsoon and the documents required to be compiled not being prepared to be sent to the Ld. AR for filing the 2nd appeal. It is requested the delay may be condoned. However, the Registry has not pointed out



any such delay. Hence, the delay, if any, is found to be on account of sufficient cause and is hereby condoned.

2. The assessee is in appeal before the Tribunal raising the following grounds of appeal:

“1. Because the ld. Commissioner of Income Tax (Appeal) erred in law as well as in facts in not allowing the credit of the payment of prepaid taxes of Rs.5,00,000/- paid on 30th March 2019 and Rs.5,00,000/- paid on 31st March 2019 under the provision of section 140A of the I.T. Act 1961, on the alleged ground that, "self-assessment tax is required to be paid before furnishing the return of income, as such the credit of self-assessment tax paid beyond the due date of filing of income cannot be allowed", and his such conclusions are contrary to the provision of Income Tax Act, 1961.

2. Because the ld. Commissioner of Income Tax (Appeal) erred in law as well as in facts in not allowing the appellants claim seeking credit of payment of tax amounting to Rs. 10,00,000/-, and as such his conclusion in not allowing the credit, is contrary to the provision of Income Tax Act, 1961.

3. Because the ld. Commissioner of Income Tax (Appeal) ought to have allowed the credit of prepaid taxes totalling to Rs.10,00,000/-, the evidence of which was filed before him by the appellant, and the same was duly reflected in the Form 26AS.

4. The appellant craves leave to add further grounds of appeal or alter the grounds at the time of hearing.”

3. Brief facts of the case are that the assessee company had filed its return of income showing total income of ₹3,36,38,277/-. A survey u/s 133A(1) of the Act was conducted at the office and residential premises of the assessee and the assessment was reopened u/s 147 of the Act after issuing notice u/s 148 of the Act. In response to the notice issued u/s 148 of the Act, the assessee submitted that the return filed dated 20.09.2017 may be treated as the return filed in response to the notice u/s 148 of the Act. After issuing statutory notices, the Assessing Officer (hereinafter referred to as Ld. 'AO') assessed the total income of the assessee at ₹3,36,38,277/-, i.e. the same as the returned income but allowed credit of tax at ₹65,57,786/- which was short by ₹ 10 lakhs.



Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A) who held that the self-assessment tax is required to be paid before furnishing the return of income by the assessee and as such the credit of self-assessment tax paid beyond the due date of filing the return could not be allowed and dismissed the appeal of the assessee. Aggrieved with the order of the Ld. CIT(A), the assessee has filed the appeal before the Tribunal.

4. Rival contentions were heard and the submissions made have been examined. The issue relates to the short credit of tax paid for which the return of income was filed on 22.09.2019. A survey u/s 133A of the Act was carried out on 05.03.2019 and assessment was reopened on 29.03.2022. The assessee paid self-assessment tax of ₹10,00,000/- being ₹ 5 lakh on 30.03.2019 and another ₹ 5 lakh on 31.03.2019 after the survey on 05.03.2019 and after filing the return of income on 22.09.2017 but before the issue of notice under section 148 of the Act on 31.03.2021. However, the credit of ₹10 Lakh has not been given as the wrong minor head was mentioned in the challan. It is requested that the credit of the tax paid may be allowed.

5. We have considered the facts of the case, the submissions made and the documents filed. There is no justification for not allowing the credit of the tax paid on account of incorrect mention of minor head as the same may be corrected by the Ld. AO for the purpose of adjustment by the system. Under section 140A, no doubt the self-assessment tax is required to be paid before filing the return of income but after a regular assessment is made, as per sub-section (2) of section 140A, any amount paid under sub-section (1) shall be deemed to have been paid towards such regular assessment or assessment, as the case may be. Further,



under sub-section (3) thereof, if any assessee fails to pay the whole or any part of such tax, interest or fee in accordance with the provisions of sub-section (1), he shall, without prejudice to any other consequences which he may incur, be deemed to be an assessee in default in respect of the tax, interest or fee remaining unpaid, and all the provisions of this Act shall apply accordingly. Thus, there are consequences for not paying the self-assessment tax in time; however, after a regular assessment is done the credit for the tax paid is required to be allowed even though the self-assessment tax required to be paid before filing the return of income has been paid late. However, the same is in the nature of self-assessment tax computed by the assessee before the regular assessment after assessing his liabilities and therefore, the credit for the same cannot be denied. Hence, the findings of the Ld. CIT(A) on this issue are reversed and the Ld. AO is directed to correct the minor head of payment of tax in the challan, if required and allow the further credit of the tax paid at ₹10,00,000/- to the assessee as per law. Hence, Ground Nos. 1, 2 and 3 are allowed for statistical purposes while Ground No. 4 is general in nature and does not require any separate adjudication.

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

Order pronounced in the open Court on 28th January, 2026.

Sd/-

[George Mathan]
Judicial Member

Sd/-

[Rakesh Mishra]
Accountant Member

Dated: 28.01.2026

Bidhan (Sr. P.S.)



Copy of the order forwarded to:

1. **Mech Secons, Sanjib Sarani, V.K. Nagar S.O., Basudbpur, Bardhaman, West Bengal, 713210.**
2. **D.C.I.T., CC-3(3), Kolkata.**
3. CIT(A)-21, Kolkata.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

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By order

Assistant Registrar
ITAT, Kolkata Benches
Kolkata