IN THE HIGH COURT OF JUDICATURE AT PATNA

Civil Writ Jurisdiction Case No.14696 of 2022

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Arun Vikram S/o Late Bharat Mishra, Resident of Nandanpuri, Khajpura, Near Sanyam Pratik Apartment, P.S. - B.V. College, Patna - 800014 (Bihar).

... ... Petitioner/s

Versus

1. Union of India through Central Processing Centre, Bangalore.
2. State of Bihar through District Magistrate, Patna/Circle Officer, Phulwarisharif, Patna.
3. Principal Commissioner of Income Tax (TDS), Patna.

... ... Respondent/s

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Appearance :

For the Petitioner/s	:	Mr. Aman Raja, Advocate
For the Respondent/s	:	Ms. Archana Shahi, Advocate
For the State	:	Mr. Vivek Prasad, GP-7

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CORAM: HONOURABLE THE CHIEF JUSTICE
and
HONOURABLE MR. JUSTICE HARISH KUMAR
ORAL JUDGMENT
(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 13-03-2024

The petitioner is aggrieved with the delay in filing of the TDS quarterly statements, as required under Rule 31A of the Income Tax Rules which resulted in the refund entitled to him being delayed and the interest on the said refund having not been paid.

2. The facts are not in dispute and are admitted both by the Income Tax Department and the State Government, who

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have filed counter affidavits. Insofar as the allegations against each of them, the Income Tax Department asserts, which is also admitted by the petitioner, that it was due to the delay in filing of quarterly statements by the State Government, who was the employer of the petitioner that the delay in refund occurred and no interest was paid. The Income Tax Department also submits that they have paid nominal interest of Rs.208/- to the petitioner. The lesser quantum of interest was only due to the delay in filing of quarterly statements.

3. The Revenue Department of the State Government under whom the petitioner worked admits that there was delay in filing of quarterly statements under Rule 31A. Under Rule 31A the returns for the assessment year 2021-2022 was to be filed on or before 31.05.2021. The quarterly statement was filed only on 16.10.2022. In the meanwhile, there was a demand of Rs. 90,000/- raised against the petitioner which in fact was not sustainable as per his own returns since he had paid TDS far in excess of that and he was entitled to a refund of Rs. 41,000/-.

4. The quarterly statement of TDS having been filed by the Revenue Department of the State, the petitioner was granted the refund but with only nominal interest as noticed above. The petitioner is aggrieved with the loss of interest at the

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rate of 0.5 per cent per month, which he was entitled to from 31.03.2022 onwards up till the refund being credited to his account. The interest as per Section 244A of the Income Tax Act is 0.5 per cent per month.

5. The refund was made on 01.12.2023 and the deficiency in the interest has to be made up by the State Government.

6. The petitioner shall produce the evidence of the refund before the District Magistrate, Patna. The District Magistrate, Patna shall compute the deficiency of interest, calculating the interest for Rs. 41,000/- at the rate of 6 per cent per annum from 01.04.2022 to 01.12.2023, the later being the date of refund. The same shall be paid by the State to the petitioner within one month of the representation being filed before the District Magistrate, Patna. The District Magistrate, Patna would pay a further cost of Rs. 5,000/- to the petitioner as costs of the above writ petition, which was necessitated only because of the delay in filing of quarterly statements by the State Government. The interest liability and the cost imposed on the State, at the desire of the State can be recovered from the Officer, who committed the default after giving proper notice and carrying out a valid proceeding against the said Officer.

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7. The writ petition stands allowed.

(K. Vinod Chandran, CJ)

(Harish Kumar, J)

uday/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	15.03.2024
Transmission Date	NA

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