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KRL/CT/64/1/15022023/00191

OFFICE OF THE REGISTRAR  
UNIVERSITY OF KERALA  
THIRUVANANTHAPURAM

16 FEB 2023

No: 1564



OFFICE OF THE FINANCE OFFICER  
UNIVERSITY OF KERALA

17 FEB 2023

Office of the Deputy Commissioner of Income Tax (TDS),  
3<sup>rd</sup> Floor, Aayakar Bhavan, Kowdiar, Thiruvananthapuram - 695 003  
[Tel: 0471-2566638 / Fax : 0471-2566668 email : tvmdcit.tds@incometax.gov.in]

F.No. TVDU00895G/DCIT/TDS/TVM/2022-23

Date : 14/02/2023

PROCEEDINGS GIVING EFFECT TO THE ORDER OF THE CIT (A)

- Ref - (1) Order u/s 201(1)/201(1A) dated 26/03/2019-University of Kerala,  
Thiruvananthapuram (TVDU00895G) - AY: 2017-18(FY: 2016-17)  
(2) Order of the NFAC, New Delhi in ITBA/NFAC/S/250/2022-  
23/1049613211(1) dated 10/02/2023

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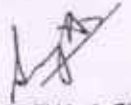
In the case of the deductor, University of Kerala, an order u/s 201(1) & (1A) of the Act was passed on 26/03/2019 treating the deductor as 'assessee in default' for not deducting tax from the retirement benefits (Commutation amount, Leave encashment, DCRG) in excess of prescribed limits. The TDS liability of the employees was computed including these payments after allowing exemption to the extent provided in the Act and the TDS Assessing Officer vide order dated 26/03/2019 raised a tax demand of Rs. 84,01,612 u/s 201(1) & Rs. 21,00,400 as interest u/s 201(1A).

Consequent to the passing of order, the deductor made partial payments of Rs. 56,24,591 and consumed the challans in the correction statement filed for the financial year 2016-17. The challan amounts used by the deductor in the correction statement has been allocated among the deductees in whose cases short deduction was noticed.

2. Aggrieved by the order u/s 201, the deductor filed appeal. The NFAC vide order referred at (2) above, **allowed the appeal** of the deductor, following the findings of the jurisdictional ITAT decision in the case of *ITO (TDS), Kottayam Vs MG University*, stating that the provisions of section 10(10) (i), 10(10A) and 10(10AA) are fully applicable in the case and the total demand created was directed to be deleted.

: 2 :

On giving effect to this order of CIT(A), the entire demand Rs. 1,05,02,012 raised vide order dated 26/03/2019 in the case of University of Kerala (TVDU00895G) for the FY 2016-17 is reduced to NIL.



(SREYA A S)

Deputy Commissioner of Income Tax (TDS)  
Thiruvananthapuram

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The Deductor