

HC dismissed writ as appellant-bank had alternate remedy of filing an appeal on charges of sec. 194A TDS default

Summary – The High Court of Madras in a recent case of Coimbatore District Central Co-Operative Bank Ltd., (the Assessee) held that where Act specifically provides an appeal remedy under section 246A, same has to be exhausted first by petitioner before approaching Court under Article 226 of Constitution of India.

Facts

- The petitioner-deductor was in the business of banking. In survey conducted in the business premises of the bank it was found that the petitioner was not deducting tax at source (TDS) under section 194A on the interest paid to the depositors. Consequently the assessment was made in terms of section 201(1) and 201(A).
- On writ:

Held

- The plea of the petitioner that the impugned assessment orders and the demand notice have to be set aside cannot be countenanced as the Act specifically provides an appeal remedy and the same has to be exhausted first by the petitioner before approaching this Court under Article 226 of the Constitution of India. Hence, the writ petitions at this stage are not maintainable and the same are dismissed. However, liberty is given to the petitioner to file an appeal before the appropriate authority as against the impugned orders within a period of thirty days' from today. On such appeal being filed, the authority shall decide the same on merits and in accordance with law without rejecting it, only on the ground of limitation.
- With the above direction, these writ petitions are dismissed.