

V.Akilandeswari : In this case, Madras High Court accepted assessee's writ petition and allowed waiver of interest u/s 234B and section 234C of the Income Tax Act quashing CIT's order refusing to waive said interest, in factual matrix where:

The reason pleaded by the petitioner as found in para 6 of the affidavit may be extracted below:

"6. ... the above return was filed voluntarily and my Father was expired on 28.2.99 leaving my mother Smt.Sri Devi Venkataswami, house wife to look after the affairs of the family and business matters for my father. Being a house wife my mother took considerable time to acquaint with the matter in finalising the accounts and also at that time I was a minor. Further after the death of my father my mother become the Director of M/s.Venkateswara Spinners Pvt. Ltd. along with the other Directors and my mother had looked after the day to day affairs of the textile mills. Later the Company Venkateswara Spinning Mills Pvt. Ltd. was demerged and new company was floated. When my mother become the only person responsible for running the company. Due to unavoidable circumstances, I am not able to file a return and pay the advance tax and then later my mother approached a tax consultant and the return was filed voluntarily and paid the tax. In earlier years and subsequent years we have filed the returns in time and paying the tax regularly."

High Court Conclusion:

12. Applying the ratio of this court noted above, it is seen in the present case that the petitioner has paid the tax voluntarily and has also pleaded a good and sufficient reason for the non payment of tax on time. The fact of the death of petitioner's father who was looking after the business, and as well as the petitioner's mother and guardian was an house wife unfamiliar with such transactions, is not denied by the respondent. On the contrary, he has given some logical interpretation for overruling the claim made by the petitioner. In the present case, the entire tax amount for the years 1991-92 and 1992-93 have been paid by the petitioner. She has also paid some extra amount. The claim made by the petitioner is bona fide and genuine and the respondent has not exercised his discretion in terms of law.