

Advance tax mop-up from top 100 cos grows 9.9% in Q2

Top companies and banks, including [Bharti Airtel](#), Maruti Suzuki, [SAIL](#) and SBI, have paid lower advance taxes during the July-September quarter, reflecting the impact of slowdown. The other large companies which have paid lower taxes during the second quarter include IndianOil, [Bharat Petroleum](#), National Aluminium, Hyundai Motors, Rashtriya Ispat Nigam and Bosch. [ICICI Bank](#) paid the same amount as last year.

However, on account of increased advance tax payment by certain companies like [ONGC](#), [Reliance Industries](#) and [Tata Steel](#), the overall collection from top 100 corporates during the July-September quarter was up by 9.9% as compared to corresponding period of the last financial year. The increase in advance tax realisation during April-September works out to be 12%, according to the data on top 100 companies tabulated by the I-T Department.

The data reveals a sharp decline in payment of advance taxes by state-owned petroleum companies which are hit by rising prices of crude in the international market. While IndianOil paid no advance tax during the quarter as against Rs 351 crore during the corresponding period last fiscal, payment by Bharat Petroleum declined by 83% to Rs 35 crore during the period.

The slowdown was also witnessed in the auto sector, with [Maruti Suzuki](#) paying Rs 120 crore during the second quarter, down 55.8% over last year's. Similarly, advance tax payment by Hyundai declined by 13.5% to Rs 81 crore. [Tata Motors](#) showed no increase in payment of advance tax during the second quarter.

As per the CBDT data, the net advance tax collection in the first six months of the financial year stood at Rs 1.8 lakh crore, up 6.6% year-on-year. In the banking sector, [SBI](#) and Oriental Bank of Commerce paid lower tax in the second quarter over July-September in 2010. On the other hand, tax contribution by [Punjab National Bank](#), [HDFC Bank](#) and [Canara Bank](#) showed an increase. Advance tax payment by the country's largest private lender ICICI Bank, however, remained flat at Rs 650 crore.

In the power sector, NTPC's payment increased by 42.5% at Rs 721 crore in the period under review, while that of [Neyveli Lignite Corporation](#) was down 50.2%. The reduction in payment of advance tax by companies comes at a time when the industrial growth slowed to 3.3% in July.

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