

Banks pay more advance tax this quarter

So far this financial year, banks have paid higher advance tax than that in the corresponding period last year. Lenders generally pay most of their taxes in the first half of the year. Despite sluggish loan growth, banks are expected to post higher profits this quarter due to rise in treasury gains.

Companies are required to pay 15 per cent of their total advance tax in the first quarter.

State Bank of India, usually one of the top payers of advance tax, has not paid. HDFC and ICICI banks have seen tax outflow go up 37 per cent to Rs 685 crore and 20 per cent to Rs 600 crore, respectively. Standard Chartered and HSBC have paid Rs 300 crore and Rs 276 crore, respectively. Kotak Mahindra Bank paid Rs 112 crore.

Life Insurance Corporation paid Rs 679 crore, a rise of 6.4 per cent compared to the same period last year. Among public sector banks, Central Bank of India paid Rs 167 crore and Bank of Baroda Rs 325 crore. Lupin has paid Rs 78.3 crore, against Rs 38 crore in the corresponding period last year. Bharat Petroleum Corporation saw its tax outflow increase 51.4 per cent to Rs 103 crore. Bajaj Auto paid Rs 160 crore and Tata Steel's advance tax remained flat at Rs 270 crore, while M&M paid Rs 120 crore, against Rs 90 crore in the first quarter earlier.

This financial year, the Mumbai division of the income tax department has a target of Rs 207,545 crore against the Rs 175,000 crore it collected last year.

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