

IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCH "B", HYDERABAD

BEFORE SMT. P. MADHAVI DEVI, JUDICIAL MEMBER
AND
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER

ITA Nos.103 to 109/Hyd/2019		
Assessment Year: 2011-12 to 2016-17		
The Tirupati Cooperative Bank Limited, Tirupati. PAN: AAAAT 9912 D	Vs.	Director of Income Tax (Intelligence & Criminal Investigation), Hyderabad.
(Appellant)		(Respondent)
Assessee by:	Sri S. Rama Rao	
Revenue by:	Sri Nilanjan Dey, DR	
Date of hearing:	18/11/2019	
Date of pronouncement:	19/12/2019	

ORDER

PER A. MOHAN ALANKAMONY, AM.:

All the above captioned appeals are filed by the assessee against the orders of the Ld. CIT(A), Tirupati in appeal Nos.10019 to 10023 and 10004 & 10005/2017-18/CIT(A)/TPT, all dated 20/11/2018 passed U/s. 271FA r.w.s 250(6) of the Act for the A.Ys 2011-12 to 2016-17. Since, the assessee has raised identical grounds for all the AYs on the same issue, all the appeals are clubbed together and disposed off by this common order.

2. The assessee has raised several grounds in all its appeals however, the crux of the issue is that the Ld CIT (A) has erred in confirming the levy of penalty U/s. 271FA of the Act without appreciating the genuine reasons for such default.

3. Brief facts of the case are that the assessee is a Cooperative Bank which is under the obligation to file statement of specific financial transactions in Form No. 61A U/s. 285VA(1) of the Act within the stipulated time before the Revenue. Since, the assessee had not filed the above stated statements within the stipulated period of time limit prescribed under the Act, the ld. DIT (I & CI) invoked the penal provisions of section 271FA of the Act and levied penalty in the case of the assessee for all the AYs in appeal before us. Before the ld. CIT (A), the assessee had submitted that the assessee had e-filed the requisite documents through computer after being pointed out by the DIT (I & CI) and further errors that had occurred due to omission of certain transactions were also being rectified. The assessee had further submitted that there was no wilful default on its part as the lapse and omissions were only due to recent computerization of the accounts of the assessee and modernization of its systems management. However, the ld. CIT (A) brushed aside the submissions of the ld. AR and confirmed the order of the ld. DIT (I & CI) as there were number of omissions while reporting the particulars.

4. Before us, the Ld. AR submitted that the assessee is a small cooperative society carrying on banking business for its members who are poor people below poverty line in Tirupati. It was further submitted that the staff of the Cooperative Society are not well versed and due to computerization of the accounts such lapses had occurred. It was further pleaded that certain particulars were omitted due to ignorance and not due to the wilful fault of the assessee. Hence, it was pleaded that the penalty levied by the ld. DIT (I & CI) invoking the provisions of Section 271FA of the Act which is further confirmed by the Ld. CIT (A) may be deleted.

5. We have heard the rival submissions and carefully perused the materials on record. From the facts of the case it appears that there is no wilful default on the part of the assessee for the lapse. Moreover, the omissions and errors have occurred due to the recent computerization of the accounts of the assessee. In this situation, taking a lenient view and drawing strength from the provisions of section 273B of the Act, we hereby set aside the order of the Ld CIT (A) and direct the ld. DIT (I & CI) to delete the levy of penalty U/s. 271FA of the Act in the case of the assessee for all the relevant AYs which are in appeal before us. It is ordered accordingly.

6. In the result, all the appeals of the assessee are allowed.

Pronounced in the open Court on 19th December, 2019.

Sd/-
(P. MADHAVI DEVI)
JUDICIAL MEMBER

Sd/-
(A. MOHAN ALANKAMONY)
ACCOUNTANT MEMBER

Hyderabad, Dated: 19th December, 2019

OKK

Copy to:-

- 1) The Tirupati Cooperative Bank Limited, 15-1-23G, Car Street, Tirupati – 517 501.
- 2) Director of Income Tax (Intelligence & Criminal Investigation), 2nd Floor, Aayakar Bhavan, Basheer Bagh, Hyderabad – 500 004.
- 3) The Commissioner of Income Tax (Appeals), Aayakar Bhavan, Tirupati-517501..
- 4) Principal Commissioner of Income Tax, Tirupati.
- 5) The DR, ITAT, Hyderabad
- 6) Guard File