

IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH : COCHIN

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER  
AND  
SHRI AMARJIT SINGH, ACCOUNTANT MEMBER

I.T.A.Nos.412 & 413/COCH./2023 [SL. NO.46 AND 47]  
Assessment Year 2017-2018

M/s. Palliyakkal Service Co-op Bank Ltd., No.2232, Palliyackal, Ezhikkara, ERNAKULAM – 683 513 KERALA. PAN AACAP0460C	vs.	The Income Tax Officer, The National Faceless Assessment Centre, Mayur Bhawan, Connaught Lane, Barakhamba Road, New Delhi – 110 001.
(Appellant)		(Respondent)

For Assessee :	Shri V.P. Narayanan, Advocate
For Revenue :	Smt. V. Swarnalatha, Sr. DR

Date of Hearing :	21.08.2024
Date of Pronouncement :	25.09.2024

**ORDER**

**PER SATBEER SINGH GODARA, J.M. :**

These assessee's twin appeals I.T.A.Nos.412 & 413/COCH./2023, for assessment year 2017-2018, arise against the CIT(A)- National Faceless Appeal Centre [in short the "NFAC"] Delhi's Din and Order No. ITBA/NFAC/S/250/2022-23/1051364958(1) and 1051368545(1), both dated 27.03.2023, in proceedings u/s.272A(1)(d) and 271B of the Income Tax Act, 1961 (in short "the Act"); case-wise, respectively.

Heard both the parties. Case files perused.

2. Coming to the assessee's former appeal ITA.No.412/ Coch./2023; there is hardly any dispute between the parties that both the learned lower authorities have erred in law and on fact in holding that the assessee had not complied with sec.142(1) notice dated 06.09.2019 and therefore, they have levied the penalty of Rs.10,000/-. It is an admitted fact that it has also been entitled for sec.80P deduction and had duly filed its audit report as well as all supportive documents very well before the said show cause notice which culminated in 143(3) regular assessment. That being the case, we are of the considered view that the impugned sec.272A penalty of Rs.10,000/- deserves to be deleted. Ordered accordingly.

3. Coming to the assessee's latter appeal ITA.No.413/ Coch./2023; wherein both the learned lower authorities have held that it had not filed its tax audit report within the due date and therefore, they have levied a sum of Rs.1,50,000/- as penalty in assessee's hands.

4. A perusal of the case file suggests that assessee had duly filed its tax audit report on 12.12.2018 and the learned

Assessing Officer framed his sec.143(3) assessment on 19.02.2019. Meaning thereby, that although there was delay in filing of the said tax audit report, at the same time, possibility of delay in such a compliance could not be altogether ruled-out and attributable to the various procedural aspects including the necessary compliance to the state cooperative authorities. We thus treat the delay as a reasonable cause to delete sec.273B penalty. Ordered accordingly.

5. These assessee's twin appeals I.T.A.Nos.412 & 413/COCH./2023 are allowed in above terms. A copy of this common order be placed in the respective case files.

Order pronounced in the open Court on 25.09.2024.

Sd/-  
[AMARJIT SINGH]  
ACCOUNTANT MEMBER

Sd/-  
[SATBEER SINGH GODARA]  
JUDICIAL MEMBER

Cochin, Dated 25<sup>th</sup> September, 2024

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The CIT(A) concerned.
4.	The CIT concerned
5.	The D.R. ITAT, Cochin Bench, Cochin.
6.	Guard File.

//By Order//

//True copy//

Sr. Private Secretary, ITAT, Cochin Bench,  
Cochin