

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“B” BENCH : BANGALORE**

BEFORE SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER  
AND  
SHRI PRAKASH CHAND YADAV, JUDICIAL MEMBER

ITA No.1571/Bang/2024
Assessment year : 2019-20

Schneider Electric President Systems Ltd., Bearys Global Research Triangle, Tower C, Kadugodi S.O., Kadugodi Plantation, Bangalore – 560 067. <b>PAN : AADCA 1163G</b>	Vs.	The Deputy Commissioner of Income Tax, Circle 6(1)(1), Bangalore.
APPELLANT		RESPONDENT

Appellant by	:	Shri K.K. Ved, CA
Respondent by	:	Shri Sridhar E., CIT(DR)(ITAT), Bengaluru.

Date of hearing	:	29.10.2024
Date of Pronouncement	:	04.11.2024

**ORDER**

*Per Laxmi Prasad Sahu, Accountant Member*

This appeal is filed by the assessee against the order dated 28.6.2024 of the CIT(Appeals), National Faceless Appeal Centre, Delhi [NFAC], for the AY 2019-20.

2. Briefly stated the facts of the case are that the assessee filed return of income on 23.11.2019 declaring total income of Rs.23,17,75,420. Return was processed on 22.6.2020 identifying

discrepancy as per Form 3CD. Rectification application was filed by the assessee on 22.6.2020 and 25.1.2021 Rectification order u/s. 154 was passed on 3.3.2021 rejecting the application of the assessee and raising a demand of Rs.1,20,74,110. Aggrieved from the above order, the assessee filed appeal before the First Appellate Authority (FAA).

3. The ld. FAA noted that there was a delay in filing appeal before him about 2 years 8 months and 6 days and the reasons for delay is incorporated in his order. He noted that there was no sufficient cause for condoning the delay and without going into merits of the case, he dismissed the appeal of the assessee. Aggrieved, the assessee is in appeal before the ITAT.

4. The ld. AR submitted that the CPC has wrongly added u/s. 43B as per tax audit report and 154 order was passed during the Covid 19 pandemic period, so the case was not taken up by the employees of the company within time and the company was working with less staff. The GM and Manager handling the tax matters left the organization and the management was informed that the mistake in processing the ITR by CPC would be rectified and consequential demand would be nullified. However during the course of audit report for FY 2022-23, it was noted from the e-portal that demands are still outstanding. The delay in filing the appeal is neither deliberate nor intentional, but due to bonafide reasonable cause. He further submitted that the Hon'ble Apex Court has granted time upto 13.5.2022 and if this time is excluded, the delay is less than 952 days. An affidavit dated

24.10.2024 stating the reasons for delay before the CIT(Appeals) is filed. He requested that if a chance is given to the assessee, he undertook to respond to the notices and substantiate the case of the assessee with evidence before the lower authorities.

5. On the other hand, the Id. DR relied on the order of lower authorities and submitted that the assessee is a multinational company and they are keen with their tax matters and was aware of the tax proceedings and objected to giving another chance to the assessee.

6. Considering the rival submissions, we note that the Id. FAA has dismissed the appeal without condoning the delay in filing the appeal. We note that the rectification application was processed on 3.5.2021 raising a demand during the Covid 19 pandemic period. The DGM and the Manager handling the tax matters left the organisation and management was informed that tax demand would be nullified in the rectification proceedings. However the rectification order and the demand came to notice of assessee during audit of FY 2022-23. Accordingly we note that assessee has sufficient cause for the delay in filing appeal before the FAA. Considering the facts of the case and in the interest of justice, we remit the issue to the Assessing Officer for fresh consideration and decision as per law, subject to payment of costs of Rs.50,000/- (Rs. Fifty Thousand Only) by the assessee. The assessee is directed to produce proof of payment of costs. The assessee is also directed to file necessary documents that would be essential and required for substantiating his case and for proper adjudication by the

revenue authorities. Needless to say that reasonable opportunity of being heard be given to the assessee. The assessee is directed to cooperate with the proceedings and in case of further default, the assessee shall not be entitled to any leniency.

7. In the result, the appeal by the assessee is allowed for statistical purposes.

Pronounced in the open court on this 4<sup>th</sup> day of November, 2024.

Sd/-  
( PRAKASH CHAND YADAV )  
JUDICIAL MEMBER

Sd/-  
( LAXMI PRASAD SAHU )  
ACCOUNTANT MEMBER

Bangalore,  
Dated, the 4<sup>th</sup> November, 2024.

*/Desai S Murthy/*

Copy to:

1. Appellant
2. Respondent
3. Pr.CIT
4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar  
ITAT, Bangalore.