

**IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH, COCHIN**

Before Shri Satbeer Singh Godara, Judicial Member and  
Shri Amarjit Singh, Accountant Member

**ITA No. 442/Coch/2023**  
(Assessment Year: 2016-17)

KNS Hajee Shaik Labbai Sahib Company Pvt. Ltd. 7/189, Court Road Kozhikode 673001 [PAN: AABCK4699P] (Appellant)	vs.	The Income Tax Officer Ward - 1(1) & PPS Kozhikode (Respondent)
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Appellant by:	Shri Shammem Ahmed, Advocate
Respondent by:	Smt. V. Swarnalatha, Sr. D.R.

Date of Hearing:	22.08.2024
Date of Pronouncement:	23.10.2024

**ORDER**

**Per Bench**

This assessee's appeal for A.Y. 2016-17 arises against the National Faceless Appeal Centre, Delhi [CIT(A)]'s DIN & Order No. ITBA/NFAC/S/250/2022-23/1051672102(1) dated 30.03.2023 in proceedings u/s. 250 of the Income Tax Act, 1961 (the Act).

Heard both the parties. Case file perused.

2. Both the learned representatives vehemently argue against and in support of the lower authorities' action levying section 271B penalty in assessee's case; who, *inter alia*, had filed its return on 28.06.2019 along with tax audit report. It goes without saying that the Assessing Officer completed section 143(3) assessment on

30.09.2021. Meaning thereby that although there is some delay in filing of the assessee's return along with tax audit report, she has indeed explained the reasons thereof due to various communication gaps, etc. with the auditor's office. That being the case, we hold that the assessee has been able to prove the "reasonable cause" u/sec.273B and, therefore, we delete the impugned penalty u/sec.271B of the Act in very terms.

3. This assessee's appeal is allowed.

Order pronounced in the open court on 23<sup>rd</sup> October, 2024 under Rule 34 of The Income Tax (Appellate Tribunal) Rules, 1963.

Sd/-  
(Amarjit Singh)  
Accountant Member

Sd/-  
(Satbeer Singh Godara)  
Judicial Member

Cochin, Dated: 23<sup>rd</sup> October, 2024

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar  
ITAT, Cochin