

IN THE INCOME TAX APPELLATE TRIBUNAL, RANCHI BENCH, RANCHI

BEFORE SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

ITA No. 148 & 149/Ran/2023
Assessment Years 2017-18 and 2019-20)

Sudisa Foundry Private Limited, B-16, 1st Industrial Phase, Adityapur-831013 (Jharkhand) PAN No. AAKCS 4756 N	Vs.	D.C.I.T., Central Circle, Jamshedpur.
Appellant/ Assessee		Respondent/ Revenue

ITA No. 153 to 156/Ran/2023
(Assessment Years 2017-18 to 2020-21)

Sudisa Enterprises Private Limited, C-20, 1st Phase, Industrial Area Adityapur-831013 (Jharkhand) PAN No. AALCS 8419 B	Vs.	D.C.I.T., Central Circle, Jamshedpur.
Appellant/ Assessee		Respondent/ Revenue

Assessee represented by	Submission filed
Department represented by	Shri Khubchand T. Pandya, Sr.DR
Date of hearing	14/01/2025
Date of pronouncement	14/02/2025

ORDER

PER: BENCH:

1. This is a group of six (6) appeals filed by the assessee(s) emanates from the separate orders of the learned Commissioner of Income Tax (Appeals), Patna - 3, Patna [in short, the Id. CIT(A)] dated 27/04/2023 and 28/04/2023 for the Assessment Years (AY) 2017-18 to 2020-21 respectively as per the grounds of appeal on record. All these appeals of the assessee are interconnected, therefore, with the consent of parties, all these appeals were clubbed and heard together and are being decided by this common order.

2. In all these appeals, the assessee has challenged the validity of initiation of penalty proceedings under Section 270A of the Income Tax Act, 1961 (in short, the Act).
3. At the time of hearing, none has appeared on behalf of assessee but the assessee has filed written submission. In its submission, the assessee stated that the assessment orders in all these cases were passed in September, 2021 and the penalty proceedings under Section 270A of the Act were initiated subsequently. In all these appeals, the last date of passing the penalty order was 31/03/2022 based on the completion of the assessment proceedings in September, 2021. It is also stated in the submission that the Assessing Officer has acknowledged in the order that the last date for passing the penalty order was 31/03/2022. However, the penalty order in question was passed and signed on 01/04/2022 which is beyond the permissible time limit and thus, the penalty order is time barred and not sustainable in the eyes of law.
4. On the other hand, the learned Senior Departmental Representative (ld. Sr.DR) for the revenue has relied on the orders of the lower authorities.
5. We have given careful consideration to the relevant facts, documents on record and the submissions of both the parties. It is observed that the Assessing Officer has initiated penalty proceedings under Section 270A of the Act and levied penalty thereof. The ld. CIT(A) has confirmed the action of Assessing Officer by passing an ex parte order for the reason that there was no compliance by the assessee. Therefore, the rights and liabilities of the parties herein have not been adjudicated substantially. It is correct that reasonable opportunities have been provided to the assessee, still, there was no

compliance. The facts remain that the income tax laws are within the ambit of welfare legislation which are absolutely separate from penal legislation and therefore, given the facts and circumstances and as per applicable law, benefit of doubt has to be attributed to the assessee/tax payer. There may be circumstances beyond the control of assessee or "vis major" because of which the assessee may not have able to comply with the notices before the NFAC/Id. CIT(A). Under the given facts on record, it cannot be said that such non-compliance was deliberate or malafide on the part of assessee. Therefore, in the interest of principles of natural justice, We are inclined to provide one final opportunity to the assessee and accordingly, the order of NFAC/Id.CIT(A) is set aside and the matter is remanded back to the file of NFAC/Id.CIT(A) for de novo adjudication. The assessee is also directed that, this being the final opportunity, it should file all the relevant documents before NFAC/Id. CIT(A) and represent its case on merit. As per the above terms, the grounds of appeal raised by the assessee stands allowed for statistical purposes only.

6. In the result, all these appeals of the assessee are allowed for statistical purposes only.

Order announced in open court on 14th February, 2025.

Sd/-
(PARTHA SARATHI CHAUDHURY)
JUDICIAL MEMBER

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Ranchi, Dated: 14/02/2025

**Ranjan*

Copy to:

1. Assessee
2. Revenue
3. CIT

4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Ranchi