

**IN THE HIGH COURT OF KERALA AT ERNAKULAM  
PRESENT  
THE HONOURABLE MR.JUSTICE N.NAGARESH  
FRIDAY, THE 24TH DAY OF APRIL 2020 / 4TH VAISAKHA, 1942  
WP(C) NO. 8946 OF 2020**

**Petitioner:-**

Pathanamthitta Service Co-operative Bank  
Ltd. No.Q 363, Represented by its  
Secretary, Pathanamthitta P.O,  
Pathanamthitta District-Pin-689 645.

By Advs.

Sri. T.R.Harikumar  
Sri. Arjun Raghavan

**Respondents :-**

1. The Income Tax Officer, Ward-3,  
Office of the Income Tax Officer,  
Thiruvalla, Pathanamthitta District-Pin-689 645.
2. The Commissioner of Income Tax (Appeals),  
Office of the Pr. Commissioner of Income Tax,  
1<sup>st</sup>Floor, Public Library Building, Shastri Road,  
Kottayam-Pin-686 001.
3. The Kerala State Co-operative Bank,  
District Office, Pathanamthitta,  
Represented by its General Manager,  
Pathanamthitta District-Pin-689 645.

By

Standing Counsel Sri. Christopher Abraham, Income Tax

This writ petition having come up for admission on 24.04.2020, the court on the same day passed the following:

**JUDGMENT**

~ ~ ~ ~ ~

***Dated this the 24<sup>th</sup> day of April, 2020***

Standing Counsel for Income Tax takes notice for respondents 1 to 3.

2. Petitioner is an income tax assessee. The assessment year in question is 2017-'18. By Ext.P1, the 1<sup>st</sup> respondent disallowed petitioner's claim for deduction under Section 80-P of the Income Tax Act and demanded ₹76,50,374/- as tax. The petitioner filed Ext.P3 appeal contending that reasoning given in Ext.P1 is untenable. Pending the appeal, the 1<sup>st</sup> respondent initiated coercive proceedings. The 1<sup>st</sup> respondent issued Ext.P5 demanding 20% of the disputed tax as a condition to stay further proceedings.

3. Heard learned counsel for the petitioner and learned Standing Counsel for Income Tax.

4. If the respondents proceed with coercive steps pending consideration of statutory appeal, the statutory remedy available to the petitioner will be negated and the petitioner is likely to be put to difficulties.

In the circumstances, the writ petition is disposed of directing the respondents not to proceed with coercive steps against the petitioner pending disposal of Ext.P3 appeal. Ext.P3 appeal shall be considered and disposed of by the 2<sup>nd</sup> respondent within a period of six months, without insisting on payment of 20% of the demanded tax.

**N. NAGARESH, JUDGE**

**Appendix**

**Petitioner's Exhibits:**

- Exhibit-P1** A true copy of the assessment order for the year 2017-2018 dated 10-12-2019.
- Exhibit-P2** A true copy of the notice issued under Section 156 of the Income Tax Act dated 10-12-2019.
- Exhibit-P3** A true copy of the online appeal dated 08-02-2020 filed by the petitioner before the 2<sup>nd</sup> respondent, against Ext-P1 assessment order.
- Exhibit-P4** A true copy of the stay petition filed by the petitioner in Ext-P3 appeal dated 08-02-2020.
- Exhibit-P5** A true copy of the order in F.No.Pr.CIT/Kottayam/Tech/Stay(1)2019-20 dated 09-03-2020, passed by the 2<sup>nd</sup> respondent in Ext-P4 stay petition.
- Exhibit-P6** A true copy of the judgment dated 19-07-2019 in W.A No.1639 of 2019.
- Exhibit-P7** A true copy of the judgment dated 17-02-2020 in WP(C) No.4433 of 2020.