

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE BECHU KURIAN THOMAS

THURSDAY, THE 30TH DAY OF APRIL, 2020/10TH VAISAKHA, 1942

W.P(C) TMP NO.236 OF 2020

PETITIONER

CHEERANCHIRA SERVICE CO-OPERATIVE BANK LTD,
NO. 1626,
CHEERANCHIRA P.O, CHANGANACHERY,
KOTTAYAM,-686106

REPRESENTED BY ITS SECRETARY JOHN KURIAN
BY ADV. SRI..C. A. JOJO.

RESPONDENTS:

1. INCOME TAX OFFICER,
WARD-1 & T P S, T.K ROAD, THIRUVALLA
THIRUVALLA - 689101
2. COMMISSIONER OF INCOME TAX (APPEALS), OFFICE OF
THE COMMISSIONER OF INCOME TAX,
PUBLIC LIBRARY BUILDING
BAKER HILL P.O, KOTTAYAM-686 002

R1-2 BY SRI.JOSE JOSEPH

THIS WRIT PETITION HAVING COME UP FOR ADMISSION ON
30.04.2020, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

JUDGMENT

I have heard the counsel for the petitioner through video conferencing. I have also heard the learned Standing Counsel for Income Tax who has taken notice on behalf of respondents. In the facts and circumstances of the case, I deem it fit that this writ petition be disposed of.

2. Petitioner is an income tax assessee and the issue relates to the assessment year 2017-2018. By Ext.P1, the 1st respondent disallowed petitioner's claim for deduction under Section 80P of the Income Tax Act and demanded an amount of Rs.62,51,839/- as tax and interest.

3. Challenging the said assessment, petitioner has preferred Ext.P3 appeal contending that the reason for disallowing petitioner's claim for deduction under Section 80P is not tenable. While the appeal is pending, the respondents have initiated recovery proceedings to recover the tax allegedly due.

4. I find force in the contention of the counsel for the petitioner that if the respondents proceed with coercive steps

pending consideration of the statutory appeal, the same will be rendered redundant and petitioner will be put to severe difficulties.

In such circumstances, I dispose of the writ petition by directing the respondents not to proceed with coercive steps against the petitioner pending disposal of Ext.P3 appeal. I also direct the 2nd respondent to consider and dispose of Ext.P3 appeal within a period of 6 months without insisting on payment of the tax demanded.

**BECHU KURIAN THOMAS
JUDGE**

BNG

APPENDIX

EXHIBIT-P1: A TRUE COPY OF THE ASSESSMENT ORDER FOR AY 2017-18 DATED 31.12.2019 ISSUED BY THE FIRST RESPONDENT

EXHIBIT P2: A TRUE COPY OF THE DEMAND NOTICE U/S 156 DATED 31.12.2019 ISSUED BY THE FIRST RESPONDENT

EXHIBIT P3: A TRUE COPY OF THE APPEAL FOR AY 2017-18 BEFORE THE 2ND RESPONDENT DATED 17.02.2020

EXHIBIT P4: A TRUE COPY OF THE JUDGMENT IN A SIMILAR CASE IN WP (C) 3329/2019 DTD. 6.2.2020