

Bihar Industrial Area Development Authority v. NeAC

ITA 437/PAT/2025

ITAT / Patna | Order: 31 Aug 2026 | AY 2018-19

01 FACTS OF THE CASE

BIADA failed to obtain and furnish the section 44AB tax audit report. It argued that no assessment addition or Revenue loss had occurred, but did not demonstrate a specific reasonable cause.

02 DISCUSSION BY THE HON'BLE TRIBUNAL

Paragraph 6 holds that section 273B places the burden of proving reasonable cause on the taxpayer. Acceptance of returned income does not explain the audit failure. The Tribunal distinguishes a precedent involving delayed statutory-auditor appointment and confirms the section 271B penalty.

03 JUDICIAL DECISION

Appeal dismissed - ₹1,50,000 audit penalty confirmed

04 OUTCOME - IN FAVOUR OF

Revenue - audit penalty confirmed.

05 AKHB REVIEW POINT

Maintain the audit appointment, completion and filing calendar. If delayed, document the actual impediment, correspondence and causal link; absence of a tax addition or government ownership alone is not a reasonable-cause defence.

SOURCE & VERIFICATION

User-supplied tribunal order; paragraphs 2-7 reviewed. Subsequent proceedings and independent official-portal authentication not verified.

[Read the complete original order \(PDF\)](#)

AI DISCLOSURE

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