

IN THE INCOME TAX APPELLATE TRIBUNAL  
PANAJI BENCH :: PANAJI

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER &  
SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER  
(Through virtual hearing)

ITA No.30/PAN/2021  
(A.Y. 2019-20)

Maya KrishnakumarAgrawal, 1 <sup>st</sup> Floor, Anand Bhawan, Old Station Road, Margao, Goa.	vs	ADIT, CPC, Bengaluru.
PAN: ACWPA 7029 H		
Appellant		Respondent

Assessee by	:	Shri Ashok Kulkarni, AR
Revenue by	:	Shri N. Shrikanth, DR
Date of hearing	:	17/08/2023
Date of pronouncement	:	22/08/2023

O R D E R

Per PARTHA SARATHI CHAUDHURY, JM:

This appeal preferred by the assessee emanates from the order of Commissioner of Income Tax [Appeals]-2, Panaji (for short, 'CIT(A)'), dated 13.09.2021 for A.Y.2019-20 as per the following grounds of appeal:-

"1. The order of the Id.CIT(A)-2, Panaji, Goa (hereinafter referred to as CIT(A)) is opposed to law and facts of the case.

2. The CIT(A) legally erred in holding that the Appellant's rectification application would not fall within the scope of section 154 of the Act. Since the adjustment made u/s 143 (1) (a) of the Act resulting into an addition of Rs. 117,23,809/- under the head "Income from business or profession" was mainly on account of feeding errors crept while filling schedule BP in the return of income, CIT(A) ought to have directed the ADIT, CPC, Bengaluru (AO) to entertain the application made by the Appellant u/s 154 of the Act to correct the feeding errors crept while filling Schedule BP of the Income Tax Return being mistakes apparent from the record on the basis of material available on record.

3. *The CIT(A) legally erred in coming to the conclusion that the appellant having not filed the appeal against the intimation passed u/s 143(1) of the Act, the rectification application filed u/s 154 of the Act is not within the scope of section 154 especially when the appellant's rectification application was accompanied by the XML file (Return of DATA Correction) filed with the AO on 15.01.2021.*

4. *The CIT(A) legally erred in confirming the Order passed by the AO rejecting the rectification application made by the appellant especially when inadvertent feeding errors crept while filling Schedule 'BP' of the return of income resulting into an addition not represented by the income of the appellant. The AO may be directed to entertain the Appellant's rectification application u/s 154 of the Act to correct the feeding errors crept while filling Schedule BP of the Income Tax Return.*

5. *The Appellant craves to add, amend or alter any of the grounds of appeal either before or at the time of appellate hearing."*

2. The relevant facts in this case are that for the year under consideration, the assessee had filed her return of income on 10/08/2019, declaring total income of Rs. 4,19,62,280/- after claiming certain deductions. The return of income was processed by ADIT, CPC, Bengaluru (AO) on 11/12/2020 determining the total income at Rs.5,36,86,090/-. Against this, the assessee filed a rectification application on 15/01/2021. The AO passed an order u/sec. 154 of the Income Tax Act, 1961 (for short, 'the Act') on 25/01/2021, whereby the assessee's claim was rejected and her income was kept as it is as assessed vide intimation u/sec. 143(1) of the Act. As per the case record, as also evident in the order of Id. CIT(A) that when the assessee moved rectification petition u/sec. 154 of the Act before the

AO, there were certain discrepancies which were communicated to the assessee. However, assessee failed to respond to those communications from the Department. The AO had written in the rectification petition's order that *"On verification it is seen that there was no prima-facie error in the order which you have sought to be rectified. Therefore, your application for Rectification under sec.154 is rejected for the following reasons"*. Further, it was written that *"as seen from e-filed return of income and the rectification request filed by the assessee, the assessee has not correctly filled Schedules in the Return ..... The system has correctly computed the income as per the details entered by the assessee. In case, the assessee desires rectification, the assessee is required to file an online rectification request....."*

3. Thereafter, when the matter travelled before the Id. CIT(A), he observed that even during the appellate proceedings, the assessee has admitted that there was error in filling up of relevant schedules and it is also admitted fact that assessee had not responded to the discrepancies/compliance notices issued by the AO. The Id. CIT(A), therefore, held that purpose of rectification u/sec. 154, mistake apparent from record, only be rectified and in the case of the assessee, there is no mistake apparent from record *prima-facie* and rather, the rectification petition was rejected on the ground of discrepancies which were not complied with by the assessee.

Therefore, Id. CIT(A) also upheld the order of the AO and had dismissed the appeal of the assessee.

4. We observe from the facts and circumstances in this case that it is a matter where rectification petition u/sec. 154 was moved before the AO. However, there were certain faults in filling the schedules which the assessee duly acknowledged. That, for such fault in filing the schedules which was not duly complied with by the assessee, the said rectification petition was dismissed and the same was upheld by the Id.CIT(A). At the time of hearing, Id.AR reiterated the *bonafidness* of the assessee and requested with a prayer before the Bench that if the matter is set aside to Id. CIT(A), then they would comply with all the necessary directions as would be given by the Department, and also if it is possible, they would again re-file rectification petition u/sec. 154 by filling correctly all the schedules in requisite manner as would be directed by the Department. We do not find any fault in this prayer of the assessee and giving one opportunity to the assessee will not jeopardize the position of Revenue also. Considering the arguments put-forth by the Id.AR, we set aside the order of Id. CIT(A) and remand the matter back to his file to adjudicate as per law and at the same time, direct the assessee to comply with all directions as would be given from the office of Id.CIT(A), so that the ends of justice can be achieved. We order accordingly.

5. In the result, appeal of the assessee stands allowed for statistical purposes.

Order pronounced in open Court on 22<sup>nd</sup> August, 2023.

Sd/-  
(INTURI RAMA RAO)  
ACCOUNTANT MEMBER

Sd/-  
(PARTHA SARATHI CHAUDHURY)  
JUDICIAL MEMBER

Dated : 22<sup>nd</sup> August, 2023

vr/-

Copy to :

1. The Appellant.
2. The Respondent.
3. The Pr. CIT concerned.
5. The DR, ITAT, Panaji Bench, Panaji.
6. Guard File.

By Order

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Senior Private Secretary  
ITAT, Pune.