

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR “SMC” BENCH : NAGPUR

[THROUGH VIRTUAL HEARING AT PUNE]

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

I.T.A.No.422/NAG./2022
Assessment Year 2019-2020

Food Corporation of India Employees Co-op. Credit Society Limited, C/o. Dist. Office, FCI Vivekanand, Ajni, Nagpur – 400 015. PAN AAAAF2520P Maharashtra	vs.	The ADIT, CPC, 1 st Floor, Prestige Alpha No.48/1 48/2, Beratenaagrahara Begur, Hosur Road, Uttarahalli Hobli, Bengaluru-560100 Karnataka
(Appellant)		(Respondent)

For Assessee :	Shri Mahavir Atal
For Revenue :	Shri Abhay Y Marathe, Sr.DR

Date of Hearing :	21.03.2024
Date of Pronouncement :	22.03.2024

ORDER

PER SATBEER SINGH GODARA, J.M.

This assessee’s appeal for assessment year 2019-2020, arises against the National Faceless Appeal Centre [in short the “NFAC”] Delhi’s Din and Order No. ITBA/NFAC/S/250/2022-23/1047557881(1), dated 22.11.2022, involving proceedings u/s. 143(1) of the Income Tax Act, 1961 (in short “the Act”).

Heard both the parties. Case file perused.

2. Mr. Marathe submitted at the outset that both the learned lower authorities and more particularly, the ADIT, CPC, Bangalore’s sec.143(1)(a) “processing” dated 22.02.2020 has rightly disallowed the assessee’s sec.80P deduction claim of Rs.16,09,780/- for want of filing of it’s sec.139(1) return within the

“due” date. He sought to buttress the point that such a claim could be disallowed u/sec.143(1)(a)(ii) of the Act by way of “processing” as an instance of “incorrect claim if such incorrect claim is there from any information in the return”. Mr. Marathe further quoted sec.80AC as well as [2022] 138 taxmann.com 571 (Madras) Veerappampalayam Primary Agricultural Cooperative Credit Society Vs. DCIT that the instant issue has already been settled in Revenue’s favour.

3. I find no merit in the Revenue’s arguments in respect of impugned sec.80P deduction disallowance made in assessee’s hands. This is for the precise reason that legislature has introduced such a disallowance provision in sec.143(1)(a)(v) dealing with deduction claim(s) provided in Chapter-VI-A of the Act by way of Finance Act, 2021 w.e.f. 01.04.2021 with prospective effect whereas the assessment year herein is 2017-2018 only. So far as the Revenue’s case quoting sec.80AC is concerned (supra), it would be very much relevant to observe that once the legislature itself has made the impugned provision in sec.143(1)(a)(v); the same could not have led to the assessee’s 80P deduction disallowance in summary “processing”. Hon’ble Madras high court’s decision in Veerappampalayam Primary Agricultural Cooperative Credit Society (supra), is also found to be distinguishable on facts as their lordships’ had dealt with assessment year 2018-2019 vide judgment dated 07.04.2021 thereby not having benefit of the amendment made in the Finance Act, 2021 in foregoing terms. That being the

clinging fact that sec.143(1)(a)(v) itself is not applicable in assessee's case specifically dealing with filing of a sec.139(1) return, sub-clause(ii) could not be pressed in action being in the nature of a general provision only. I adopt principles of stricter interpretation as per Commissioner vs. Dilip Kumar And Co. & Ors. [2018] 9 SCC 1 (SC) (FB) to conclude that both the learned lower authorities action disallowing the assessee's sec.80P deduction(s) claim(s) by way of sec.143(1)(a)(ii) or 143(1)(a)(v) "processing" has to be reversed. Ordered accordingly.

4. This assessee's appeal is allowed in above terms.

Order pronounced in the open Court on 22.03.2024.

Sd/-
[SATBEER SINGH GODARA]
JUDICIAL MEMBER

Pune, Dated 22nd March, 2024

VBP/-

Copy to

1.	The appellant.
2.	The respondent
3.	The CIT, Nagpur concerned
4.	D.R. ITAT, SMC-Nagpur Bench, Nagpur.
5.	Guard File.

//By Order//

//True Copy //

Sr. Private Secretary, ITAT, Pune Benches,
Pune.