

**IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH, COCHIN**

**Before Shri Satbeer Singh Godara, Judicial Member &
Shri Amarjit Singh, Accountant Member**

ITA No.593/Coch/2023 : Asst.Year 2008-2009
ITA No.594/Coch/2023 : Asst.Year 2009-2010
ITA No.595/Coch/2023 : Asst.Year 2010-2011
ITA No.596/Coch/2023 : Asst.Year 2011-2012
ITA No.597/Coch/2023 : Asst.Year 2012-2013
ITA No.598/Coch/2023 : Asst.Year 2013-2014

Kasargod District Health Family Welfare Society, Puthiyakotta Court Road, Kanhangad 671315 PAN : AACAK0285A.	v.	The Income Tax Officer Kasargod.
(Appellant)		(Respondent)

Appellant by : --- None ---
Respondent by : Smt.V.Swarnalatha, Sr.DR

Date of Hearing : 13.08.2024	Date of Pronouncement : 25.09.2024
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ORDER

Per Bench :

These assessee's six appeals arise against the National Faceless Appeal Centre, Delhi [CIT(A)]'s orders as below in proceedings u/s. 143(3) of the Income Tax Act, 1961; in short "the Act" hereinafter : -

Sr. No.	ITA No.	AY	DIN & Order No.	Date
1	593/Coch/2023	2008-09	ITBA/NFAC/S/250/2023-24/1052723355(1)	10.05.2023
2	594/Coch/2023	2009-10	ITBA/NFAC/S/250/2023-24/1052723576(1)	10.05.2023
3	595/Coch/2023	2010-11	ITBA/NFAC/S/250/2023-24/1052723725(1)	10.05.2023

4	596/Coch/2023	2011-12	ITBA/NFAC/S/250/2023-24/1052723893(1)	10.05.2023
5	597/Coch/2023	2012-13	ITBA/NFAC/S/250/2023-24/1052724038(1)	10.05.2023
6	598/Coch/2023	2013-14	ITBA/NFAC/S/250/2023-24/1052724380(1)	10.05.2023

Case called twice. None appears at assessee's behest. We accordingly proceed *ex parte*.

2. Learned DR invited our attention to the assessee's identical substantive ground raised in all these six appeals reading as under:-

"1. The order of the Assessing officer is contrary to law, facts and evidence and is quite illegal. 2. The Commissioner of Income Tax (Appeals) / NFAC (CITA) ought to have found that the interest accrued on the funds deposited in the bank account of the Assessee Society was not income of the Society. 3. The CITA ought to have found that the Appellant was in a fiduciary relation in respect of the funds of the Central Government while it remained deposited in the bank account of the appellant. Therefore interest accrued was the property of the Central Government and not liable-to tax in the hand of the assessee- Society. 4. The income of Society is exempt Under Section 10(23c) (iliac) of the IT Act as the Society is wholly financed by the government and interest if any is to be treated as part of the Government Finance. The CIT (A) has wrongly relied up on the decision of the Hon. Supreme Court in Tutikorin, Alkali chemicals & fertilizers Ltd.

2. The CIT(A) ought to have considered the fact that the Application for registration under section 12A of the IT Act as before the CIT at the relevant time and that it was subsequently granted registrations.

3. For these reasons and other grounds to be advanced at the time of hearing it is prayed that the impugned order may be set aside.

3. Learned DR next supported both the lower authorities action inter alia assessee's interest income qua the grand-in-aid received from the central government as well as raising the issue of its non-registration u/s.12A of the Act. She could hardly dispute the assessee's second substantive ground hereinabove claims itself to have been granted 12A registration. We accordingly we deem it appropriate that both the assessee's substantive

grounds deserve to be re-adjudicated upon by the CIT(A)/NFAC in view of the corresponding intervening developments and more particularly, that its sec.12A registration is stated to have been granted subsequently. We further observe that both the lower authorities ought to have examined in detail all the corresponding terms and conditions of the grand-in-aid received from the central government or state government; qua the assessee's interest income. We deem it appropriate in the larger interest of justice to restore the assessee's instant six appeals back to the CIT(A)/NFAC for its afresh appropriate adjudication as per law, preferably within three effective opportunities of hearing, subject to a rider that it shall be taxpayer's risk and responsibility only to file and prove all the relevant facts in consequential proceedings. Ordered accordingly.

4. Delay of 38 days each in filing these appeals before the Tribunal is condoned as per the assessee's corresponding averments in light of Collector, Land Acquisition vs., MST Katiji [1987] 167 ITR 471 (SC) having settled the law long back that all such technical aspects must take a way for the cause of substantial justice.

6. These assessee's six appeals in ITA No. 593 to 598/Coch/2023 are allowed for statistical purposes in above terms. A copy of this common order be placed in the respective case files.

Order pronounced in the open court on 25th September, 2024.

Sd/-
(Amarjit Singh)
Accountant Member

Sd/-
(Satbeer Singh Godara)
Judicial Member

Cochin ; Dated : 25th September, 2024.
np

Copy to :

1. The Appellant.
2. The Respondent.
3. The CIT(A), Concerned.
4. The CIT Concerned.
5. The DR, ITAT, Cochin.
6. Guard File.

Asst. Registrar/ITAT, Cochin