

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

Before Shri Inturi Rama Rao, Accountant Member

ITA No. 552/Coch/2024
(Assessment Year: 2019-20)

Kanthallor Service Co-op. Bank Ltd. Navnit Building Kanthaloor P.O., Idukki 685620 [PAN: AACAK3476H]	vs.	The Income Tax Officer Ward - 1 & TPS Thodupuzha
(Appellant)		(Respondent)

Appellant by:	----- None -----
Respondent by:	Smt. Leena Lal, Sr. D.R.

Date of Hearing:	29.10.2024
Date of Pronouncement:	18.11.2024

ORDER

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre, Delhi [CIT(A)] dated 06.01.2023 for Assessment Year (AY) 2019-20.

2. Brief facts of the case are that the assessee is a co-operative society registered under the Kerala State Co-operative Societies Act and is engaged in providing credit facilities to its members. The assessee filed return of income for AY 2019-20 on 14.07.2020 disclosing an income of Rs. 47,75,569/- claiming deduction u/s. 80P of the Income Tax Act, 1961 (the Act) at Rs. 47,75,569/- . The said return of income was processed u/s. 143(1) of the Act vide intimation dated 14.03.2020 disallowing the claim for deduction u/s. 80P of Rs. 47,75,569/- on the ground that the return of income was not filed within the due date prescribed u/s. 139(1) of the Act.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order placing reliance of the provisions of section 80AC(2) of the Act and also on the decision of the Mumbai Tribunal in the case Prashant Projects Ltd. vs. DCIT [2013] 37 taxmann.com 137 dismissed the appeal of the assessee.

4. Being aggrieved, the assessee is in appeal before the Tribunal. When the appeal was called nobody attended despite due service of notice of hearing. Therefore after hearing the learned Sr. DR, I proceeded to dispose of the appeal as under.

5. The short issue that arises for my consideration is whether or not the action of the CPC in disallowing the claim for deduction u/s. 80P is justified. The CPC while processing the return of income could only make such adjustments as specified under clauses (i) to (v). It is only by Finance Act, 2021 w.e.f. 01.04.2021 the parliament had empowered the CPC to make adjustment u/s. 80P under sub-clauses (1) to (v) of section 143(1) of the Act. Since the year under consideration before me is only AY 2019-20 the CPC has no power to make such adjustment when the legislative intent is clear. It is beyond the scope of the power of CPC making adjustment u/s. 80P while processing the return of income u/s. 143(1) of the Act. Therefore, I direct the CPC to amend the intimation u/s. 143(1) by deleting the adjustment made by disallowing the claim of deduction u/s. 80P of the Act.

6. In the result, the appeal is allowed for statistical purposes.

Order pronounced in the open court on 18th November, 2024

Sd/-
(Inturi Rama Rao)
Accountant Member

Cochin, Dated: 18th November, 2024

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Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar
ITAT, Cochin