

IN THE INCOME TAX APPELLATE TRIBUNAL

"G" BENCH, MUMBAI

BEFORE SHRI AMARJIT SINGH, ACCOUNTANT MEMBER

SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER

ITA No.3349/MUM/2024

(Assessment Year : 2022-23)

Godrej Consumer Products,

C/o M/s Kalyaniwalla & Mistry LLP

Esplanade House, 2nd Floor,

29, Hazarimal Somani Marg,

Fort, Mumbai - 400001

Maharashtra

PAN: AABCG 3365J

..... Appellant

v/s

Deputy Director of Income Tax,

Centralized Processing Unit,

Bengaluru

..... Respondent

Assessee by : Shri Jeet Kamdar

Revenue by : Shri Bhangapatil Pushkaraj Ramesh, Sr.DR

Date of Hearing – 10/10/2024

Date of Order – 20/12/2024

ORDER

PER SANDEEP SINGH KARHAIL, J.M.

The assessee has filed the present appeal against the impugned order dated 01/05/2024, passed under section 250 of the Income Tax Act, 1960 (*"the Act"*) by the learned Additional/Joint Commissioner of Income Tax (Appeals)-2, Chennai [*"learned Addl./Joint CIT(A)"*], which in turn arose from the intimation dated 29/07/2023 passed under section 143(1) of the Act, for the assessment year 2022-23.

2. The solitary grievance of the assessee, in the present appeal, is against the addition amounting to INR 1,39,14,408 made vide intimation issued under section 143(1) without issuing any prior intimation.

3. The brief facts of the case pertaining to this issue, as emanating from the record, are: During the year under consideration, the assessee filed its return of income on 29/11/2022 declaring a total income of INR 868,39,56,787. The return filed by the assessee was processed vide intimation dated 29/07/2023 issued under section 143(1) of the Act computed the total income of the assessee at INR 895,95,81,730, inter-alia, after making an addition of INR 1,39,14,408 under the head "*any of the income not included in profit and loss account/any other expense not allowable*". In its appeal before the learned Addl./Joint CIT(A), the assessee submitted that the aforesaid addition has been made without issuing any intimation as required under the first proviso to section 143(1)(a) of the Act and thus, the aforesaid addition be deleted. The learned Addl./Joint CIT(A), vide impugned order, though agreed with the submission of the assessee that it is unclear as to how the CPC has arrived at the addition of INR 1,39,14,408 without affording any opportunity to the assessee for clarification, however, instructed the Jurisdictional Assessing Officer to obtain necessary reconciliation from the assessee before issuing order giving effect. Being aggrieved, the assessee is in appeal before us.

4. Having considered the submissions of both sides and perused the material available on record, we find that the CPC prior to the issuance of intimation dated 29/07/2023 under section 143(1) of the Act issued an

intimation, which was received by the assessee on its email address on 14/12/2022. However, from the perusal of the copy of said intimation, we find that no query was raised regarding the impugned addition of INR 1,39,14,408. Further, from the perusal of the impugned order, we find that the learned Addl./Joint CIT(A) also took into consideration the fact that the return of income filed by the assessee on 29/11/2022, for the year under consideration, under the category "*any of the income not included in profit and loss account/any other expense not allowable*" reflects Nil amount. It is also pertinent to note that the learned Addl./Joint CIT(A) also agreed with the submission of the assessee that the impugned adjustment has been made by the CPC without affording any opportunity to the assessee as required in the first proviso to section 143(1)(a) of the Act. Accordingly, the learned Addl./Joint CIT(A) concluded that the impugned amount recorded by the CPC in the intimation issued under section 143(1) of the Act appears to be contradictory and lacks accuracy and, therefore ought to be deleted. However, it is evident from the record that even after recording the aforesaid findings, surprisingly the learned Addl./Joint CIT(A) proceeded to issue a direction to the Jurisdictional Assessing Officer to obtain necessary reconciliation from the assessee before issuing the order giving effect.

5. We are of the considered view that once the learned Addl./Joint CIT(A) concurred with the submissions of the assessee, the impugned addition ought to have been outrightly deleted. The directions of the learned Addl./Joint CIT(A) to the Jurisdictional Assessing Officer to obtain necessary reconciliation regarding the impugned addition tantamount to doing what the CPC also could

not have done without issuing prior intimation as required in the first proviso to section 143(1)(a) of the Act. Such being the facts, we are of the considered view that there is no basis for making the impugned addition under the category "any of the income not included in profit and loss account/any other expense not allowable" vide intimation issued under section 143(1) of the Act and thus, the same is deleted. As a result, the impugned order on this issue is quashed and the grounds raised by the assessee are allowed.

6. In the result, the appeal by the assessee is allowed.

Order pronounced in the open Court on 20 /12/2024

Sd/-

**AMARJIT SINGH
ACCOUNTANT MEMBER**

MUMBAI, DATED: 20/12/2024

Sd/-

**SANDEEP SINGH KARHAIL
JUDICIAL MEMBER**

Copy of the order forwarded to:

- (1) The Assessee;
- (2) The Revenue;
- (3) The PCIT / CIT (Judicial);
- (4) The DR, ITAT, Mumbai; and
- (5) Guard file.

By Order

Assistant Registrar
ITAT, Mumbai