

IN THE INCOME TAX APPELLATE TRIBUNAL PANAJI BENCH
PANAJI

BEFORE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER &
SHRI G D PADMAHSHALI ACCOUNTANT MEMBER

I T A. Nos. 16 &17/PAN/2025
(A.Y.2020-21 & A.Y.2018-19)

Mahalingeshwar Co-operative Credit Society Ltd, Diggewadi,Taluka Raibag, Belagavi-591201, Karnataka.	Vs	ITO-Ward-1(4), Civil Hospital Road, Belagavi-590001. Karnataka.
PAN .No.AAAAM1904G		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

Assessee by	Shri.Shivanand Halbhavi.AR
Revenue by	Shri.Manikandan.Sr.DR

सुनवाई की तारीख/Date of Hearing	06.03.2025
घोषणा की तारीख/Date of Pronouncement	12.03.2025

ORDER

PER PAVAN KUMAR GADALE, JM:

These two appeals are filed by the assessee against the separate orders of National Faceless Appeal Centre (NFAC) Delhi / CIT(A) passed u/sec 250 of the Act. The assessee has raised the grounds of appeal challenging the order of the NFAC/ CIT(A) sustaining the denial of claim of deduction under section 80P of the Act.

2. Since issues involved in these appeals are common and identical, hence they are clubbed, heard and a consolidated order is passed. For the sake of convenience,

we shall take up ITA No.17/PAN/2025, A.Y 2018-19 as lead case and facts narrated.

3. The brief facts of the case are that, the assessee is a cooperative credit society and has filed the return of income for the A.Y 2018-19 on 02.10.2018 disclosing a total income of Rs. Nil after claiming deduction u/sec 80P of the Act. Subsequently the case was selected for limited scrutiny under the E-assessment scheme 2019 and notice u/sec 142(1) of the Act was issued calling for details in respect of claims and the information supporting the return of income filed and there was no proper response. Whereas the A.O find that the assessee society is not eligible for claim of deduction under section 80P of the Act and dealt on the provisions and denied the claim of deduction u/sec 80P of the act of Rs.33,63,412/- and finally assessed the total income of Rs.33,63,420/- and passed the order u/sec 143(3) r.w.s 144B of the Act dated 24.04.2021.

4. Aggrieved by the order, the assessee has filed an appeal before the CIT(A), whereas the CIT(A) has considered the grounds of appeal, statement of facts and findings of the AO and has issued notices of hearing and since there was no compliance by the assessee to notices. Therefore the CIT(A) considering the information on record has dismissed the appeal. Aggrieved by the order of the CIT(A), the assessee has filed an appeal before the Hon'ble Tribunal.

5. At the time of hearing, the Ld.AR submitted that the CIT(A) has erred in confirming the action of the Assessing officer overlooking the information of the assessment proceedings. Further the assessee has a good case on merits and shall substantiate with the material evidences and prayed for an opportunity to explain before the lower authorities. Per Contra, the Ld.DR supported the order of the CIT(A).

6. We heard the rival submissions and perused the material on record. Prima-facie the CIT(A) has passed the order considering the fact that there is no compliance nor appearance in spite of providing adequate opportunity of hearing and the notices were issued. Therefore, the CIT(A) was of the opinion that the assessee is not interested in prosecuting the appeal and passed the ex parte order. The CIT(A) has issued the notices of hearing on various dates referred at Para 6 of the order and there was no response and thus the Ld.CIT(A) came to a conclusion that the assessee is not interested and decided the appeal based on the information available on record. Whereas the assessee has raised grounds of appeal challenging the addition made by the A.O and there could be various reasons for non appearance which cannot be overruled. Therefore, considering the facts and principles of natural justice, we shall provide with one more opportunity of hearing to the assessee to substantiate the case with evidences and information. Accordingly, we set aside the order of the

CIT(A) sustaining the addition made by the A.O and remit the disputed issue to the file of the CIT(A) to adjudicate afresh and the assessee should be provided adequate opportunity of hearing and shall cooperate in submitting the information for early disposal of the Appeal. And, we allow the grounds of appeal of the assessee for statistical purpose.

ITA No.16/PAN/2025.A.Y.2020-21.

7. As the facts and circumstances in this appeal is identical to ITA No.17/PAN/2025 for the A.Y 2018-19 (except variance in figures) and further no condonation application was filed for the delay in filling the appeal before the CIT(A) and exparte order was passed. Hence the decision rendered in above paragraph 6 would apply mutatis mutandis for this appeal also. Accordingly, we allow the grounds of appeal of the assessee for statistical purposes.

8. In the result, the two appeals filed by the assessee are allowed for statistical purpose.

Order pronounced in the open court on 12.03.2025.

Sd/-
(GD PADMAHSHALI)
ACCOUNTANT MEMBER

Sd/-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Panaji Dated: 12/03/2025

Copy of the Order forwarded to:

1. The Appellant,
2. The Respondent
3. The CIT(A)-
4. CIT
5. DR, ITAT,
6. Guard file.

//True Copy//

BY ORDER,
(Asstt. Registrar)ITAT,
Panaji

		Date	<u>Initial</u>	
1.	Draft dictated on			PS
2.	Draft placed before author			PS
3.	Draft proposed & placed before the second member			PS
4.	Draft discussed/approved by Second Member.			PS
5.	Approved Draft comes to the Sr.PS/PS			PS
6.	Kept for pronouncement on			
7.	File sent to the Bench Clerk			
8.	Date on which file goes to the AR			
9.	Date on which file goes to the Head Clerk.			
10.	Date of dispatch of Order.			
11.	Dictation Pad is enclosed			