



IN THE INCOME TAX APPELLATE TRIBUNAL, PANAJI BENCH, PANAJI



BEFORE HON'BLE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER

AND

SHRI G. D. PADMAHSHALI, ACCOUNTANT MEMBER

ITA No. 014 & 015/PAN/2025

Assessment Year : 2020-21

Parasagad Taluka Prathamik

Shikshakara Paraspara Sahakari

Sangh Niyamit,

Saundatti, Belagavi.

PAN:AAAAP1358B

..... *Appellant*

V/s

Income Tax Officer,

Ward-1, Belagavi.

..... *Respondent*

Appearances

Assessee by : Mr Veeranna Murgod ['Ld. AR']

Revenue by : Mr Ravindra Hattalli ['Ld. DR']

Date of conclusive Hearing : 20/03/2025

Date of Pronouncement : 21/03/2025

ORDER

PER G. D. PADMAHSHALI, AM;

This twin appeals are instituted by the assessee against respective orders passed by the Ld. National Faceless Appeal Centre, Delhi [for short 'Ld. NFAC'] u/s 250 of the Income-tax Act, 1961 [for short 'the Act'] relating to assessment year 2020-21.



2. Since the facts & issue arising out of the both these appeals are interrelated, upon rival party's request and for the sake of brevity these appeals taken up together for hearing for being disposed-off by a consolidated order.

3. These appeals are time barred by 89 days. From the reasons stated in the affidavit we are of the considered view that, the assessee for a sufficient reasons was prevented from filing these twin appeals within the prescribed limit terms of section 253(3) of the Act. Consequently, applying the test laid in '*CIT Vs KSP Shanmugavel Nadai Ors*' [1985, 153 ITR 596 (Mad)] we condone the aforestated delay and admit the same for adjudication on merit

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4. The long and short of the quantum appeal is that; the assessee is a Co-Operative Credit Society registered u/s 10 of the Bombay Act State, 1925. For the year under consideration the assessee filed its return of income ['ITR' hereafter] on 29/12/2020 declaring total income of ₹NIL/- after claiming ₹82,11,331/- as deduction u/s 80P(2) of the Act. The said return in first placed



was processed u/s 143(1) of the Act and later selected for scrutiny vide notice dt. 29/06/2021 u/s 143(2) of the Act. In the event of assessee's failure to adduce the copy of registration as a 'Co-Operative' Society, under the provisions of Karnataka State Co-operative Societies Act 1959, the Ld. AO held the assessee as ineligible for 80P(2) deduction and thus denied the claim for deduction and assessed the total income accordingly u/s 143(3) of the Act.

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5. Pursuant to aforesaid assessment a consequential penalty proceedings u/s 270A of the Act were initiated and in the event of assessee's effective failure to refute the negative findings/conclusion, the Ld. AO culminated the proceedings by imposing a penalty equal to 200% of tax sought to be evaded under s/s (9) of section 270A of the Act.

6. Aggrieved assessee unsuccessfully aforesaid orders separately u/s 246A of the Act. Thus, hurt by the orders of tax authorities below, the assessee society came in present appeals.



7. We have heard the rival party's submission on the limited issue of fitness of these cases for their remand to the file of Ld. NFAC and perused the material placed on records. We note that, the reasons which prevented the appellant from filing these appeals within the prescribed time limit had also prevented the appellant from prosecuting the appeals before the Ld. NFAC. Since the sufficiency of such reasons is already established, we therefore deem it fit to accord one more opportunity to the appellant to represent these cases on merits before the Ld. NFAC which can only be possible on their remand. In the event, without offering our comments on merits, we set-aside both the *ex-parte* impugned orders and remit them to Ld. NFAC for *de-novo* adjudication in accordance with law.

8. **In result, these appeals are ALLOWED for statistical purposes.**

In terms of rule 34 of ITAT Rules, the order pronounced in the open court the date mentioned hereinbefore.

-S/d-

PAVAN KUMAR GADALE
JUDICIAL MEMBER

Panaji, 21th March, 2025.

Copy of the Order forwarded to :

1. The Appellant.
4. PCIT Concerned

2. The Respondent.

5. DR, ITAT, Panaji Bench, Panaji

3. The AO Concerned

6. Guard File

-S/d-

G. D. PADMAHSHALI
ACCOUNTANT MEMBER

By Order,
Sr. Private Secretary / AR ITAT, Panaji.