

आयकर अपीलीय अधिकरण, कोलकाता पीठ, कोलकाता

IN THE INCOME TAX APPELLATE TRIBUNAL "SMC" BENCH KOLKATA

Before Shri Sonjoy Sarma, Judicial Member and Shri Rakesh Mishra, Accountant Member

I.T.A. No.325/Kol/2025
Assessment Year: 2020-21

Sri Poddar Madal Bhavani Samity.....Appellant
Ground Floor, Mission Court,
25, R. N. Mukherjee Street, Kol-1.
[PAN: AABTS8573R]

vs.

ITO, Ward-1(3), Exemption, Kolkata.....Respondent

Appearances by:

Shri A. K. Tibrewal, AR, appeared on behalf of the assessee.
Shri Kallol Mistry, JCIT, Sr. DR, appeared on behalf of the Revenue.

Date of concluding the hearing : May 13, 2025

Date of pronouncing the order : May 14, 2025

ORDER

Per Sonjoy Sarma, Judicial Member:

The present appeal has been preferred by the assessee against an order dated 19.12.2024 of the Commissioner of Income Tax, Appeal ADDL/JCIT(A)-2 Guwahati [hereinafter referred to as 'CIT(A)'] passed u/s 250 of the Income Tax Act (hereinafter referred to as the 'Act').

2. Brief facts of the case are that the assessee is a public charitable trust registered u/s 12A of the Act. The assessee filed its return of income on 31.05.2021 by declaring nil taxable income after claiming application of income for charitable purposes and accumulation u/s 11(2) of the Act. The CPC, Bengaluru issued an intimation u/s 143(1) of the Act dated 30.11.2021 by disallowing the assessee's claim of application of income of Rs.13,10,039/- and accumulation u/s 11 of the Act at Rs.1,54,072/-. Consequently, the entire amount was treated as

taxable income and income was computed at Rs.38,41,111/- by raising Rs.13,04,910/-.

3. Dissatisfied with the above intimation order, the assessee preferred an appeal before the ld. CIT(A). However, the ld. CIT(A) upheld the action of the CPC observing that the assessee failed to furnish audit report in Form 10B within the time prescribed u/s 44AB r.w.s. 12A(1)(b) of the Act which is a mandatory condition for availing u/s 11 of the Act. It was held that since the prescribed audit report was not filed in time, the CPC rightly denied the exemption u/s 11 and 12 of the Act. While passing the order, the ld. CIT(A) dismissed the appeal of the assessee stating the date of filing of return of income was on 15.02.2021 whereas the assessee has filed the return of income on 31.05.2021. Therefore, no relief was granted to the assessee.

4. Aggrieved by the above order, the assessee is in appeal before this Tribunal raising various grounds. However, at the time of hearing, the ld. counsel for the assessee has submitted that against the intimation dated 30.11.2011 u/s 143(1) of the Act, the assessee had filed an application for rectification u/s 154 of the Act before the CPC on 29.07.2022 u/s 154 of the Act, however, no relief was granted to the assessee. Subsequently, another rectification application was filed by the assessee dated 04.03.2025 by which allowing the claim of exemption u/s 11 of the Act and granting relief to the assessee. The ld. AR further stated that since the CPC has already rectified the earlier order and granted exemption to the assessee, therefore, the instant appeal filed before the Tribunal has become infructuous and may be dismissed accordingly.

5. On the other hand, the ld. DR did not controvert the facts as stated by the ld. AR and fairly conceded that in view of the subsequent rectification, the issue raised in the present appeal has become academic.

6. We, after hearing the rival submissions and perusing the materials available on record, find that in the present case, the assessee has indeed filed a valid rectification application u/s 154 and pursuant thereto, the CPC vide rectification order dated 04.03.2025 has allowed the exemption u/s 11 of the Act to the assessee by duly considering the application of income and accumulation as claimed. Thus the grievance raised in the appeal stands fully addressed and resolved. In view of the above, we are of the considered opinion that no further adjudication is required in the present appeal as the matter has been rendered infructuous due to subsequent rectification order passed by the CPC dated 04.03.2025. Accordingly, the appeal filed by the assessee is hereby dismissed as infructuous.

7. In terms of the above, the appeal of the assessee is dismissed.

Kolkata, the 14th May, 2025.

Sd/-

[Rakesh Mishra]

लेखा सदस्य/Accountant Member

Sd/-

[Sonjoy Sarma]

न्यायिक सदस्य/Judicial Member

Dated: 14.05.2025.

RS

Copy of the order forwarded to:

1. Sri Poddar Madal Bhavani Samity
2. ITO, Ward-1(3), Exemption, Kolkata
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches

