

**IN THE INCOME TAX APPELLATE TRIBUNAL  
MUMBAI BENCH "E" MUMBAI**

**BEFORE SHRI SANDEEP GOSAIN (JUDICIAL MEMBER)**

**AND**

**SHRI OM PRAKASH KANT (ACCOUNTANT MEMBER)**

**ITA No. 2826/MUM/2025  
Assessment Year: 2022-23**

M/s Taskus India Pvt. Ltd.,  
TTC Industrial Area, Tower -9,  
Gigaplex IT Park, 18<sup>th</sup> and 19<sup>th</sup>  
floor, MIDC, Plot No. 1 I.T.5,  
Airoli Knowledge Park Rd, Airoli,  
Navi Mumbai-400708.

**Vs.**

1. Dy. Director of Income-  
tax Central Processing  
Centre Unit, Bengaluru,  
1<sup>st</sup> floor, Prestige Alpha  
No 48/1, 48/2  
Beratenaagrahara Begur  
Hosur RD Uttarahali  
Hobli, Bengaluru-  
560100.
2. The Dy. CIT, Circle  
8(3)(1), Mumbai. Aayakar  
Bhavan, M.K. Road,  
Mumbai-400020.

**PAN NO. AAHCT 0980 G  
Appellant**

**Respondent**

Assessee by : Mr. Tata Krishna  
Revenue by : Mr. Ritesh Misra, CIT-DR

Date of Hearing : 25/06/2025  
Date of pronouncement : 30/06/2025

**ORDER**

**PER OM PRAKASH KANT, AM**

This appeal by the assessee is directed against order dated 18.02.2025 passed by the Ld. Commissioner of Income-tax



(Appeals)- National Faceless Appeal Centre, Delhi [in short 'the Ld. CIT(A)'] for assessment year 2022-23, raising following grounds:

1. *The Order of the Learned Addl./ JCIT (A) is not justified in law and on facts and circumstances of the case.*

2. *As regards merger of intimation with assessment order:*

2.1. *The Learned Addl./ JCIT (A) has erred in dismissing the appeal [filed against section 143(1), dated 16.03.2023 intimation) as infructuous on the incorrect premise that intimation merges with subsequent assessment order passed under section 143(3) r.w.s. 144B, dated 23.09.2023, when the said deduction was not subject matter of scrutiny assessment under section 143(3).*

2.2. *The Learned Addl./ JCIT (A) has failed to appreciate that the cause of action i.e., denial of deduction under section 80JJAA is arising from intimation under section 143(1) and not under order under section 143(3) and the said intimation is independently appealable under section 246A(1)(a) of IT Act.*

3. *The Learned Addl./ JCIT (A) is not justified in denying the opportunity of personal hearing when a specific request was made by the Appellant in the submission filed on 20.05.2024, which is against the principles of natural justice and mandate of e-Appeals Scheme, 2023.*

4. *As regards condonation of delay with respect to section 80AC of IT Act:*

4.1. *The Learned Addl./ JCIT (A) is not justified in not condoning the delay in filing the return of income when Appellant otherwise satisfies conditions under section 80JJAA.*

4.2. *The Learned Addl./ JCIT (A) ought to have appreciated that the Appellant has sufficient and reasonable cause in filing the returns belatedly, which is condonable under section 80AC.*

4.3. *The Learned Addl./ JCIT (A) has failed to appreciate that under section 119(2)(b) the Board has power to authorise any income tax authority other than Joint/ Commissioner (Appeals) to admit the belated claim made after the expiry of specified period under IT Act which impliedly denotes that the Joint/ Commissioner (Appeals) has power to condone the belated claim under section 80AC.*



5. *The Learned Addl./ JCIT (A) has failed to appreciate that the subject adjustment carried out by CPC being in contravention of Centralised Processing of Returns Scheme, 2011.*

6. *Without prejudice to the above, adjustment made without satisfying the conditions of Section 143(1):*

6.1. *The Learned Addl./ JCIT (A) has failed to appreciate the CPC denied the entire deduction of Rs.14,47,95,160/- under section 80JJAA by purportedly invoking section 80AC without giving the proposition notice as mandated in first proviso to section 143(1)(a) thereby offending the principles of natural justice.*

6.2. *Without prejudice to the above, the lower authorities have failed to appreciate that there is a violation of second proviso to section 143(1)(a) for the reason that CPC being an inanimate body cannot address the grievance of the appellants.*

6.3. *Without prejudice to the above, the Learned Addl./ JCIT (A) has failed to appreciate that the adjustment made by the CPC in section 143(1) intimation does not specify the clause/ sub-clause under which such adjustment is made and does not adduce any reasons for making such adjustment.*

6.4. *Without prejudice to the above, the CPC is not justified in invoking section 143(1)(ii) when the pre-conditions for application of the said clause did not exist in the instant case in as much there was no incorrect claim made in return, which is apparent from any information in the return.*

6.5. *Without prejudice to the above, the CPC is not justified in proposing to make a disallowance of Rs.9,29,03,608/- under section 143(1)(a)(ii) by considering Form 10DA for a different Assessment Year.*

6.6. *Without prejudice to the above, the CPC is not justified in denying the entire claim of Rs.14,47,95,160/- made under section 80JJAA vide intimation under section 143(1), when the CPC proposed under section 143(1)(a)(ii) to make a disallowance of Rs.9,29,03,608/-.*

7. *As regards levy of interest:*

7.1. *The Learned CPC is not justified in levying interest of Rs.35,63,056/- under section 234B.*



7.2. *The Learned CPC is not justified in levying interest of Rs. 21,75,197/- [25,69,652-3,94,455] under section 234C.*

7.3. *The Learned CPC is not justified in levying the aforesaid interests, when the impugned adjustment is not tenable.*

2. Briefly stated, facts of the case are that during relevant period the assessee was engaged in the business of BPO services. For the year under consideration A.Y. 2022-23, the assessee filed its return of income declaring total income at Rs. 50,07,07,258/- after claiming deduction of Rs. 14,47,95,160/- u/s. 80JJAA of the Act. The Id. Central Processing Centre(CPC) processed the return of income and proposed to make adjustment by way of order dated 23.12.2022 passed u/s. 143(1)(a)(ii) of the Income-tax Act,1961( In short the Act) by taking into account the amount of deduction claimed in ITR vis-à-vis amount certified by tax auditor in Form 10DA of the immediately previous year. Despite filing objections against such an adjustment made by the CPC and filing rectification application, the assessee could not succeed. Later, the case was selected for scrutiny under CASS and assessment order was passed u/s. 143(3) r.w.s. 144B on 23.09.2023.

3. Aggrieved by this adjustment made by the CPC, the assessee challenged it before the CIT(A) who held that the appeal filed against intimation u/s. 143(1) dated 16.03.2023 is infructuous on the premise that intimation merges with subsequent assessment order passed u/s. 143(3) r.w.s. 144B dated 23.09.2023. The relevant extract of the CIT(A)'s order is as under:-



*“4. It is seen from the above that the intimation u/s 143(1) of the I.T. Act, 1961 dated 16.03.2023, against which the appellant has filed the present appeal, has been subsequently merged in the subsequent assessment order u/s 143(3) r.w.s. 144B of the I.T. Act, 1961 dated 07.03.2024, and the total income determined in the 143(1) intimation as Rs. 64,55,02,420/- has been determined as total income assessed in the said assessment order also. The remedial option available to the appellant was, to have filed an appeal against the said assessment order u/s 143(3) r.w.s. 144B, as the present appeal has become infructuous. It is submitted by the appellant in its response made on 20.05.2024 that the appellant has filed an appeal on 01.05.2024 against the said assessment order u/s 143(3) r.w.s. 144B dated 07.03.2024.*

*5. To conclude, in view of the merger of intimation u/s 143(1) in the subsequent assessment order u/s 143(3) r.w.s. 144B, as discussed in detail above, the present appeal of the appellant against the addition made in the intimation u/s 143(1) dated 16.03.2023, is treated as infructuous. Accordingly, the present appeal is dismissed.”*

4. We have carefully examined the orders passed by the lower authorities, perused the material placed on record, and considered the submissions advanced on behalf of the appellant as well as the Revenue. The appellant has raised multiple grounds of appeal, numbered 1 to 7. Grounds Nos. 1 to 6 pertain to the scope and authority of the Centralized Processing Centre (CPC) to effect an adjustment under Section 143(1) of the Act by disallowing a claim of deduction amounting to ₹14,47,95,160/- under Section 80JJAA, by reference to Form 10DA for a different assessment year. Ground No. 7 is consequential in nature and relates to interest charged under Sections 234B and 234C of the Act.

4.1 It is observed that in the present case, the CPC initially proposed an adjustment under Section 143(1)(a)(ii) of the Act,



disallowing a sum of ₹9,29,03,608/- claimed under Section 80JJAA, ostensibly based on a comparison with claims made in a different assessment year. Subsequently, the final intimation order under Section 143(1) disallowed the entire claim of ₹14,47,95,160/- . The appellant contended that the Id. CIT(A) erred in dismissing the appeal as infructuous on the premise that the intimation under Section 143(1) had merged with the assessment order subsequently passed.

4.2 We find merit in the submission of the learned authorised representative of the appellant that the doctrine of merger, as judicially settled, does not operate where the subject matter in question has not been dealt with in the later order. In the instant case, the issue relating to the claim under Section 80JJAA was not examined in the regular assessment order. Accordingly, there is no basis to conclude that the intimation stood merged with the subsequent assessment order.

4.3 It is further noted that the return of income was filed belatedly on 23.12.2022. The audit report in Form 10DA, as required under Section 80JJAA(2)(c), was filed on 19.12.2022, four days prior to the filing of the return. While the CPC has not expressly stated the reasons for disallowance of the deduction, it appears that the adjustment was made by invoking clause (v) of Section 143(1)(a), taking the view that the return was not filed within the due date prescribed under Section 139(1) read with Section 80AC.



4.4 The appellant submitted that the delay in finalizing the accounts and obtaining the statutory audit resulted in a corresponding delay in filing the audit report. However, it was emphasized that the audit report was nevertheless available at the time of processing the return under Section 143(1), and that no prejudice was caused to the Revenue by the belated filing. It is further submitted that the delay was neither deliberate nor avoidable and occurred due to genuine reasons beyond the appellant's control.

4.5 Upon perusal of the appellate order, we find that the CIT(A) has not adjudicated on the issue of condonation of delay in filing the audit report, nor has he addressed the specific grounds raised in relation to the applicability and scope of adjustments permissible under Section 143(1) of the Act. In our considered view, these issues go to the root of the matter and require proper adjudication.

5 In the circumstances, and in the interest of justice, we consider it appropriate to set aside the impugned appellate order and remand the matter to the file of the CIT(A) for de novo consideration. The CIT(A) shall examine the issues raised, including the claim for deduction under Section 80JJAA, the alleged delay in filing of the audit report, and the validity of the adjustment under Section 143(1), and shall dispose of the appeal after affording due opportunity of hearing to the appellant.

6 In view of the above, the grounds raised by the appellant are restored for adjudication before the CIT(A).



7 In the result, the appeal of the assessee is allowed for statistical purposes.

**Order pronounced in the open Court on 30/06/2025.**

**Sd/-  
(SANDEEP GOSAIN)  
JUDICIAL MEMBER**

**Sd/-  
(OM PRAKASH KANT)  
ACCOUNTANT MEMBER**

Mumbai;  
Dated: 30/06/2025  
Dragon Legal/Rahul Sharma, Sr. P.S.

**Copy of the Order forwarded to :**

1. The Appellant
2. The Respondent.
3. CIT
4. DR, ITAT, Mumbai
5. Guard file.

//True Copy//

BY ORDER,  
(Assistant Registrar)  
**ITAT, Mumbai**