

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.1165/Kol/2025
Assessment Year: 2024-25

Kobiguru Path Bhaban.....Appellant

8B Tala, Bhabanath Sen Street,
Shyambazar, Kol-4.

[PAN: AAETK0386P]

vs.

ITO, Ward-1(4), Kolkata..... Respondent

Appearances by:

Shri Manish Tiwari, FCA, appeared on behalf of the appellant.

Shri Ranu Biswas, ACIT-Sr. DR, appeared on behalf of the Respondent.

Date of concluding the hearing : July 30, 2025

Date of pronouncing the order : July 31, 2025

आदेश / ORDER

Per Sonjoy Sarma, Judicial Member:

This appeal filed by the assessee is directed against the order of the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), dated 25.03.2025, for the Assessment Year 2024-25, passed under section 250 of the Income-tax Act, 1961.

2. Brief facts of the case are that the assessee filed its return of income for A.Y. 2024-25 on 25.09.2024, claiming exemption under Section 11 of the Act. It is noted that the audit report applicable in the case of the assessee was Form 10BB, which was filed on 26.12.2024. The Centralized Processing Centre (CPC), Bengaluru, processed the return under Section 143(1) of the Act and passed an intimation order dated 28.01.2025, disallowing exemption under Section 11, citing that Form 10BB was not filed within the prescribed time. Against this, the

assessee filed a rectification application under Section 154, highlighting that Form 10BB was already filed on 26.12.2024, i.e., prior to the intimation under Section 143(1). The rectification was accepted by CPC and an order dated 03.03.2025 was passed under Section 154, thereby allowing the exemption and nullifying the demand originally raised.

3. Despite the rectification and resolution of the dispute, the assessee had already filed an appeal before the CIT(A) against the original 143(1) order dated 28.01.2025. In the appellate order, the Ld.CIT(A) dismissed the appeal, sustaining the disallowance under Section 11 by stating that Form 10BB was not filed on time and thus, exemption was rightly denied. However, it is submitted that the Ld. CIT(A) failed to consider the subsequent rectification under Section 154 dated 03.03.2025, where the CPC itself accepted the timely filing of Form 10BB and deleted the demand. The fact of rectification was duly brought to the notice of the Ld. CIT(A), but no cognizance was taken in the appellate order.

4. We have heard the rival submissions and carefully perused the material on record. It is an undisputed fact that the assessee had filed Form 10BB on 26.12.2024, well before the passing of the intimation under Section 143(1) on 28.01.2025 and CPC, after verifying this, rectified the intimation by passing a Section 154 order dated 03.03.2025, accepting the claim of exemption under Section 11. Consequently, the demand was reduced to NIL, and the issue stood resolved administratively. Despite this, the Ld. CIT(A) proceeded to decide the appeal without considering the rectified position and ignored the fact that the grievance of the assessee was already redressed under Section 154 of the Act. It is settled law that when the grievance has already been addressed and there remains no dispute, the appeal

becomes infructuous. Moreover, the audit report having been filed before completion of processing under Section 143(1), there was no delay or default on the part of the assessee. In view of the above, the impugned appellate order passed by the CIT(A) is rendered infructuous, having failed to consider the rectification allowed under Section 154. Accordingly, the same is liable to be set aside. We, therefore, allow the appeal of the assessee by holding that the assessee was entitled to exemption under Section 11 of the Act and the issue had already been settled in favour of the assessee through rectification order

5. In the result, the appeal filed by the assessee is allowed.

Kolkata, the 31st July, 2025.

Sd/-

[Rakesh Mishra]

लेखा सदस्य/Accountant Member

Sd/-

[Sonjoy Sarma]

न्यायिक सदस्य/Judicial Member

Dated: 31.07.2025.

RS

Copy of the order forwarded to:

1. Appellant -
2. Respondent -
3. CIT (A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches