

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.148/PAN/2025
(A.Y. 2017-18)

Markandeya Cooperative Credit Society Limited, 419,Shivaji Chowk, Mannur Belagavi-591128, Karnataka.	Vs	ITO-Ward-3, Civil Hospital Road, Belagavi-590001. Karnataka.
PAN .No. AAAAM1664M		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

Assessee by	Shri.Veeranna .M.Murgod.AR
Revenue by	Smt Rijula Uniyal.Sr.DR

सुनवाई की तारीख/Date of Hearing	14.08.2025
घोषणा की तारीख/Date of Pronouncement	19.08.2025

ORDER

PER PAVAN KUMAR GADALE, JM:

The appeal is filed by the assessee against the order of NFAC/CIT(A) passed u/sec 143(3) and u/sec 250 of the Act. The assessee has raised the grounds of appeal challenging the ex-parte order of the CIT(A) sustaining the denial of claim of deduction u/sec80P(2)(a)(i) of the Act by the Assessing Officer.

2. At the time of hearing, the Ld.AR brought to the knowledge of the bench, that there is a delay in filing the appeal before the Hon'ble Tribunal and the assessee has filed the affidavit for condonation of delay. Whereas, the facts mentioned in the affidavit are reasonable and the

Ld. DR has no specific objections. Accordingly, we condone the delay and admit the appeal.

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 2017-18 disclosing a total income of Rs.Nil after claiming deduction of Rs.26,57,241/- u/sec 80P of the Act. Subsequently the case was selected for complete scrutiny under CASS to verify (i) Investments in shares/Advances/Loans and (ii) Deduction Under Chapter VIA. Further notice u/sec143 (2) and u/sec 142(1) of the Act are issued calling for details in support of return of income filed. Whereas the A.O. was not satisfied with the explanations of the assessee and denied the claim of deduction u/sec80P of the act and assessed the total income of Rs.26,57,241/- and passed the order u/sec 143(3) of the Act dated 28.11.2019.

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 confirmed the action of the A.O and 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 dismissed the appeal ex-parte confirming the action of the assessing officer. The CIT(A) has issued the notices of hearing on various dates i.e 25.01.2021,6.12.2021,19.08.2022,17.04.2023 referred at Page 3 Para 4 of the order but 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 additions 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 subject to payment of cost of Rs.1000/- to the income tax department within one month from the date of receipt of the order and produce the proof of payment. Accordingly, we set aside the order of the CIT(A) and remit the entire disputed issues to the file of the CIT(A) to adjudicate afresh on the disputed issue and the assessee should be provided adequate opportunity of hearing and shall cooperate in submitting the information. And we allow the grounds of appeal of the assessee for statistical purposes.

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

Order pronounced in the open court on 19.08.2025.

-S/d-
(GD PADMAHSHALI)
ACCOUNTANT MEMBER

Panaji Dated: 19/08/2025

-S/d-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

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			