

**IN THE INCOME TAX APPELLATE TRIBUNAL  
JABALPUR BENCH, JABALPUR  
(By Virtual Mode)**

**BEFORE SH. KUL BHARAT, VICE PRESIDENT  
AND  
SH. NIKHIL CHOUDHARY, ACCOUNTANT MEMBER**

ITA Nos. 89, 90 & 91/JAB/2024  
A.Ys. 2011-12 to 2013-14

Jagannath Das Premvati Welfare Society, 637, Wright Town, Jabalpur, Madhya Pradesh-486001 <b>PAN:AAAAS5655G</b>	vs.	Income Tax Officer-TDS-1, Jabalpur
(Appellant)		(Respondent)

Assessee by:	Sh. Anil Kumar Gupta, C.A.
Revenue by:	Sh. N.M. Prasad, Sr. DR
Date of hearing:	21.08.2025
Date of pronouncement:	28.08.2025

**ORDER**

**PER NIKHIL CHOUDHARY, A.M.**

These three appeals have been filed by the assessee against the separate orders of the Id. CIT(A) NFAC under section 250 of the Income Tax Act, 1961 for the assessment years 2011-12 to 2013-14, wherein in all the assessment years, the Id. CIT(A) has dismissed the appeals of the assessee against orders under section 201(1) /(1A) of the Income Tax Act, 1961, passed by the Assessing Officer on 28.01.2015 for all the assessment years in question. As all these appeals arise out of the same order under section 201(1) /(1A), the same are taken up together for disposal. The grounds of appeal in the said appeals are as under:-

*"1. That, on the facts and circumstances of case, the order of the Hon'ble Commissioner of Income Tax-Appeal (Faceless) is bad in law, perverse and contrary to the information/material available in the file. More so order of the CIT appeal has been passed without considering or waiting for the remand report to be issued by the Ld. AO.*

*2. On the fact and circumstances of the cases, the CIT appeal is not justified in passing the appeal order u/s 250 of the Income Tax Act and ITO TDS in passing the order u/s 201(1) of the Income Tax Act, ex-party in as much as no notice of*

*appeal as well as during the course of proceeding of u/s 201(1) were ever received by the assessee.*

*3. The appellant craves leave to add, amend, alter, vary and / or withdraw any or all the above grounds of appeal.”*

2. The facts of the case are that the assessee is an Educational Society and is engaged in the business of School Education. The ld. AO, TDS observed that the assessee had incurred various expenditures and not deducted tax at source with respect to the payments made to various parties as under:-

<i>F.Y.</i>	<i>Name of the Head/party</i>	<i>Amount Paid</i>	<i>TDS deducted</i>	<i>TDS to be made</i>	<i>Section applicable</i>	<i>TDS Default</i>
2010-11	Advertisement	56810	00	11362	194C and 206AA(@20%)	11362
	Bus exp.	113566	00	22713	194C and 206AA(@20%)	22713
	Festival and Function	409984	00	81996	194C and 206AA(@20%)	81996
	Rep. and maint. Exp.	145925	00	29185	194C and 206AA(@20%)	29185
	Building Construction	1160215	00	232043	194C and 206AA(@20%)	232043
<i>Total-</i>						3,77,299/-
2011-12	Advertisement	81371	00	16274	194C and 206AA(@20%)	16274
	Bus exp.	236667	00	47333	194C and 206AA(@20%)	47333
	Festival and Function	378906	00	75781	194C and 206AA(@20%)	75781
	Rep. and maint. Exp.	130469	00	26094	194C and 206AA(@20%)	26094
	Building Construction	697740	00	139548	194C and 206AA(@20%)	139548
<i>Total</i>						3,05,030/-
2012-13	Advertisement	40538	00	8108	194C and 206AA(@20%)	8108
	Bus exp.	280133	00	56027	194C and 206AA(@20%)	56027
	Festival and Function	305820	00	61164	194C and 206AA(@20%)	61164
	Rep. and maint. Exp.	183826	00	36766	194C and 206AA(@20%)	36766
	Building Construction	857259	00	171452	194C and 206AA(@20%)	171452
	Annual Function	53746	00	10749	194C and 206AA(@20%)	10749
<i>Total</i>						3,44,266/-

3. Therefore, the ld. AO issued various notices to the assessee, but the assessee did not make compliance to any of them. He, therefore, sent a show cause notice to the assessee, but these notices were also not responded to. Therefore, the ld. AO computed the total TDS default of Rs.3,77,299/- for the F.Y. 2010-11 along with interest of Rs.2,18,833/-; total TDS default of Rs.3,05,030/- for the F.Y. 2011-12 along with interest of Rs.1,40,314/- and total TDS default for the F.Y. 2012-13 of Rs.3,44,266/- along with interest of Rs.1,17,050/-, under sections 201(1) and 201(1A) respectively. Thus, he created a demand of Rs.15,02,792/- in respect of all three assessment years, for which he held the assessee to be in default and he required the assessee to pay the same.

4. Aggrieved with the said order, the assessee filed appeals before the ld. CIT(A)-1, Jabalpur. Subsequently, all these appeals were migrated to the National Faceless Assessment Centre. The ld. CIT(A) records in each of his orders, that he gave five opportunities to the assessee to represent the case but the assessee did not respond even once. Therefore, he held that the assessee had not controverted the findings of the ld. AO, as per the assessment order. The assessee had not submitted any sustainable explanation or documentary evidence during the course of assessment proceedings or appeal proceedings. It had only mentioned that the notices were sent to the wrong address. Moreover, no submissions had been filed by the assessee during the appellate proceedings also. Therefore, the ld. CIT(A) held, that after considering the facts and circumstances of the case, he was of the opinion that the ld. AO had rightly levied penalty under section 201(1)/(1A) for the assessment years 2011-12 to 2013-14, respectively. Accordingly, he dismissed all three appeals filed by the assessee and upheld the orders passed by the ld. AO.

5. The assessee is aggrieved at these orders passed by the ld. CIT(A) and has accordingly come before us in appeal. Sh. Anil Kumar Gupta, C.A. (hereinafter referred to as the ld. AR) appearing on behalf of the assessee society, submitted that no notice of appeal or notice of proceedings had been received by the assessee,

either during the proceedings conducted by the ITO, TDS or by the ld. CIT(A). It was submitted that the assessee had not committed any default, as contemplated under section 201(1) of the Act, as the assessee had not made any payment on which liability of TDS arose. It was further submitted that since the assessee had not received the notices, it could not make submissions in support of such assertions before the ld. AO or the ld. CIT(A). It was, therefore, submitted that the TDS default and the interest computed thereon was totally unjustified and the assessee was in a position to demonstrate that, if the matter was restored back to the file of the ld. AO.

6. On the other hand, Sh. N.M. Prasad, Sr. DR (hereinafter referred to as the ld. Sr. DR) submitted that the assessee had been given ample opportunities by both the ld. AO and the ld. CIT(A), but had not made any compliance. In the circumstances, his plea was fit to be rejected and the addition was deserving of being confirmed.

7. We have duly considered the facts and circumstances of the case. We find that the additions that have been made against the assessee have been made for the reason that the assessee did not make compliance before either the ld. AO or the ld. CIT(A). The assessee submits that he could not make compliance because he was not in receipt of the notices. While the true facts of the non-compliance are a matter of enquiry, the fact remains, that in view of the fact that the assessee has not complied and submitted responses, it has been held to be an assessee in default without any reasoned finding as to how it had committed defaults under section 194C, in respect of the various expenditures shown by it in its books of accounts. We, therefore, deem it appropriate, in the interest of justice, to restore these matters back to the file of the ld. AO, so that the assessee may make submissions along with evidences to demonstrate its claim that it had not committed any TDS default and we direct the ld. AO to consider such evidences, if produced, and thereafter pass a fresh order, in accordance with law. As the matters have been

restored to the file of the ld. AO, all three appeals are held to be allowed for statistical purposes.

8. In the result, the appeals are allowed for statistical purposes.

Order pronounced on 28.08.2025 in the open Court.

Sd/-

Sd/-

**[KUL BHARAT]  
VICE PRESIDENT**

**[NIKHIL CHOUDHARY]  
ACCOUNTANT MEMBER**

DATED: 28/08/2025

<sup>Sh</sup>

Copy forwarded to:

1. Appellant -
2. Respondent -
3. CITDR , ITAT,
4. CIT,
5. The CIT(A)

By order  
Sr. P.S.