

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.81/PAN/2025
(A.Y. 2018-19)

Honavar agricultural Produce cooperative Marketing Society Limited, 1,Honavar TPM Society Ltd Ramateertha Road, Honavar-581334, Uttara Kannada, Karnataka.	Vs .	National e – Assessment Centre Delhi-110001. .
PAN .No. AAAAH5038E		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

Assessee by	Shri. Prakash Hegde.AR
Revenue by	Shri.Ish Gupta.Sr.DR

सुनवाई की तारीख/Date of Hearing	25.08.2025
घोषणा की तारीख/Date of Pronouncement	01.09.2025

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 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 of 7 days 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 2018-19 disclosing a total income of Rs.Nil after claiming deduction of Rs.57,91,169/-u/sec 80P of the Act. Subsequently the case was selected for limited scrutiny under the E -assessment Scheme2019 on issue - Deduction from total income 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 and the assessee has filed the details 6.03.2021 dealt at Para 4&5 of the order. 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.57,91,169/- and passed the order u/sec 143(3) r.w.s144B of the Act dated 20.04.2021.

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 proper 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 proper compliance 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 confirming the action of the assessing officer. The CIT(A) has issued the notices of hearing on various dates referred at page 6 but there was no proper response and thus the Ld.CIT(A) decided the appeal based on the information available on record. Whereas the assessee has raised grounds of appeal challenging the addition by the A.O and there could be various reasons for no proper compliance which cannot be overruled. Further the Ld.AR mentioned that 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. Therefore, considering the facts, submissions 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. 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 01.09.2025.

-S/d-

**(GD PADMAHSHALI)
ACCOUNTANT MEMBER**

Panaji Dated: 01/09/2025

-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			