

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'A' BENCH, KOLKATA**

Before

**SHRI GEORGE MATHAN, JUDICIAL MEMBER
&
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**I.T.A. No.: 1287/KOL/2025
Assessment Year: 2017-18**

CIC Society <i>(Appellant)</i>	Vs.	D.C.I.T., Circle-32, Kolkata <i>(Respondent)</i>
PAN: AAAAC2092D		

Appearances:

Assessee represented by : Miraj D Shah, A.R.
Department represented by : Altaf Hussain, Addl. CIT, Sr. DR.
Date of concluding the hearing : 14-August-2025
Date of pronouncing the order : 06-November-2025

ORDER

PER RAKESH MISHRA, ACCOUNTANT MEMBER:

This appeal filed by the assessee is against the order of the Addl/JCIT(A)-9, Mumbai [hereinafter referred to as Ld. 'Addl/JCIT(A)'] passed u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for AY 2017-18 dated 06.03.2024, which has been passed against the assessment order u/s 143(3) of the Act, dated 18.12.2019.

2. The assessee is in appeal before the Tribunal raising the following grounds of appeal:

"1. That the Order passed u/s 250 is bad in law as well as on facts of the case.

2. That the Hon'ble CIT(A) erred in upholding the assessment order despite the Ld. Assessing Officer granting only one effective working day to respond to the show cause notice dated 15.12.2019, thereby violating the principles



of natural justice and denying the assessee a fair opportunity of being heard.

3. That the Hon'ble CIT(A) erred in upholding the addition of Rs.5,40,764/- on account of mismatch with Form 26AS without properly verifying the facts and without considering the explanation already furnished during earlier stages of assessment.

4. That the appellant craves to leave, add, amend or adduce any of the grounds of appeal during the course of appellate proceedings.”

2.1. The assessee has also raised an additional ground of appeal which is as under:

“1. That the ld. AO erred in issuing notice u/s 143(2) of the Act dated 17.08.2018 without complying to the CBDT Instruction F.No.225/157/2017/ITA-II dated 23.06.2017 and so the notice issued u/s 143(2) is not valid as per law and hence the entire assessment order and the assessment proceedings under the Act is bad in law.”

3. Brief facts of the case are that the assessee is a cooperative Society and had filed its return of income for AY 2017-18 on 31.10.2017 showing total income of ₹48,45,320/-. Thereafter, the return was duly processed u/s 143(1) of the Act. Subsequently, the case of the assessee was selected for limited scrutiny through Computer Assisted Scrutiny Selection (in short 'CASS') and notices u/s 143(2) and 142(1) of the Act were issued and served upon the assessee, in response to which the assessee submitted all the necessary details and documents as called for by the Assessing Officer (hereinafter referred to as Ld. 'AO'). Subsequently, the Ld. AO compared the receipts declared in the books of account with the receipts as per Form No. 26AS of the assessee and found that the assessee had declared lower revenue in the case of Bharat Sanchar Nigam, Vodafone East Ltd., Tata Services Ltd. and Idea Cellular. The Ld. AO issued a show cause notice asking the assessee to explain the differences but the assessee failed to reconcile, as a result of which an addition of ₹5,40,764/- was made to the returned income



of the assessee and the assessed the total income of the assessee at ₹53,86,084/-. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A) who considered the submissions and the statement of facts the assessee, the grounds of appeal and the assessment order and dismissed the appeal of the assessee holding as under:

“6.2.1 I have very carefully considered the appellant's statement of facts, grounds of appeal and assessment order and find no merit in the arguments of the appellant that the addition has been made without granting any opportunity to the appellant or that principles of natural justice have been violated by the AO by not granting time to reconcile the difference supra. I am further fortified by the appellant's reply dated 18/12/2019 that the AO may proceed to pass the assessment order. Even during the appellate proceedings, the appellant has chosen to remain silent and not made any submissions to controvert the findings of the AO. I am therefore of the considered view that the order calls for no interference. The addition is therefore sustained. Grounds of appeal nos. 2 & 3 are therefore Dismissed.

As a result, the appeal stands Dismissed.”

4. Aggrieved with the order of the Ld. CIT(A), the assessee has filed the appeal before the Tribunal.

5. Rival contentions were heard and the submissions made have been examined.

6. The Ld. AR submitted that the Ld. AO did not provide sufficient time and opportunity to explain the differences between the receipts declared in the books of account of the assessee and the receipts as per Form No. 26AS. The Ld. CIT(A) had also upheld the addition made by the Ld. AO without properly verifying the facts and without considering the explanation already furnished during the earlier stages of assessment. Therefore, in the interest of justice and fair play it was considered that the request of the assessee to set aside the case before



the Ld. AO may be allowed so that a proper opportunity of being heard may be provided as proper submission could not be made earlier for want of time and our attention was drawn to page 2 of the assessment order in which it is mentioned that in the reply dated 18/12/2019, the assessee responded that he cannot reply in short period and the Ld. AO may passed order. It is stated that the Ld. CIT(A) has also confirmed the additions without considering the submission of the assessee as the assessee has sufficient evidence for reconciling the variation in the receipts. Hence, after examining the facts of the case, we deem it appropriate to set aside the order of the Ld. CIT(A) and remit the matter back to the Ld. AO for making the reassessment *de novo*. Needless to say, the assessee shall be given a reasonable opportunity of being heard to make any further submission it wants to make in support of its grounds of appeal and shall not seek unnecessary adjournments. Accordingly, the grounds taken by the assessee in his appeal are allowed for statistical purposes.

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

Order pronounced in the open Court on 6th November, 2025.

Sd/-

[George Mathan]
Judicial Member

Sd/-

[Rakesh Mishra]
Accountant Member

Dated: 06.11.2025

Bidhan (Sr. P.S.)



Copy of the order forwarded to:

1. **CIC Society, 6th Floor, Flat No. A7, Chatterjee International Centre, 33A, Jawahar Lal Nehru Road, Kolkata, West Bengal, 700069.**
2. **D.C.I.T., Circle-32, Kolkata.**
3. Addl/JCIT(A)-9, Mumbai.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

// True copy //

By order

Assistant Registrar
ITAT, Kolkata Benches
Kolkata