



IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCHES "SMC", PUNE

BEFORE DR.MANISH BORAD, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.2131/PUN/2025

Assessment Year : 2019-20

Naveshwar Nagari Patsanstha Maryadit, 1756, Jutica, Teli Ali, Ratnagiri - 415612 Maharashtra PAN : AABTN2252Q	Vs.	Income Tax Officer, Ratnagiri
Appellant		Respondent

Appellant by	:	Shri Anup Shaha (through virtual)
Respondent by	:	Shri Ajitesh Meena
Date of hearing	:	16.10.2025
Date of pronouncement	:	10.11.2025

**आदेश / ORDER**

The captioned appeal at the instance of assessee pertaining to Assessment Year 2019-20 is directed against the order dated 31.07.2025 of Addl/JCIT(A), Faridabad emanating out of Rectification order dated 12.07.2020 passed u/s.154 of the Income Tax Act, 1961.

2. Assessee has raised following grounds of appeal :

*"1. On facts and circumstances prevailing in the case, the assessee submits that the CPC has erred in making and the Ld. CIT(A) in affirming the adjustments to the income by way of disallowing deduction under section 80P of the Act without any enabling provisions. The disallowance made by CPC is bad in law and should be deleted. The assessee requests your goodself to kindly consider the same and give just and proper relief to the assessee.*

*2. On facts and circumstances prevailing in the case, the assessee submits that the Ld. AO at CPC and the Ld. CIT(A) failed to appreciate the assessee had filed its ITR before the due date and the disallowance is unwarranted and based on incorrect technical inputs by the CPC. The assessee requests you to kindly consider the same and give just and due relief to the assessee.*



3. *The assessee prays to add, alter, modify, delete one or any of the grounds.”*

3. At the outset, ld. Counsel for the assessee submitted that assessee society is required to be get its accounted audited under Cooperative Societies Act, 1960 and therefore the due date for filing the return of income is 30.09.2019 and the assessee has furnished the return on 27.09.2019. Therefore, the Central Processing Cell (CPC) grossly erred in considering the due date of filing of the return (extended due date) as 31.08.2019 and denying deduction u/s.80P of the Act by invoking section 80AC of the Act.

4. On the other hand, ld. Departmental Representative supported the order of ld.CIT(A).

5. I have heard the rival contentions and perused the record placed before me. I notice that the assessee is a Cooperative Society and financial statements for F.Y. 2018-19 relevant to A.Y. 2019-20 have been audited by the Audit Management Team, Department of Cooperative, Marketing and Textiles and certified by the Auditor under the Cooperative Societies Act 30.07.2019. As per Explanation 2(ii) of section 139(1) of the Act as the accounts of the assessee other than the assessee referred in Explanation 2(aa) of section 139(1) of the Act are required to be audited under any other law which in the instant case is Cooperative Societies Act, the due date for filing the return for A.Y. 2019-20 is 30.09.2010. However, the CPC has considered the due date as 31.08.2019 and has denied the deduction claimed u/s.80P of the Act solely on the ground that the return is belated. Admittedly in the case, the accounts of assessee are required to be audited under the Cooperative



Societies Act, 1960 and therefore the due date of filing the return is to be considered as 30.09.2019. Since the assessee has furnished the return on 27.09.2019, the return is not belated and is well within the time limit prescribed u/s.139(1) of the Act and therefore section 80AC could not be invoked. Thus, Id.CIT(A) erred in confirming the action of CPC. Finding of Id.CIT(A) is set aside and the claim of assessee u/s.80P of the Act at Rs.4,04,725/- stands allowed.

6. So far as the alternate ground of appeal raised by the assessee that for the year under consideration CPC was not having the powers to disallow the deduction claimed under Chapter VI if the return is furnished beyond the due date specified u/s.139(1) of the Act, I find that the said powers have been conferred to the CPC by the Finance Act, 2021 w.e.f. 01.04.2021 in section 143(1)(a)(v) of the Act subsequent to which the CPC is empowered to make *prima-facie* adjustment to disallow the claim of deduction u/s.10AA or deduction claimed under Chapter VIA if the return is furnished beyond the due date specified in sub-section (1) of section 139 of the Act under the provisions provided u/s.143(1)(a)(v) of the Act. This view has been consistently followed by this Tribunal and Coordinate Benches in plethora of decisions. Some of the decisions on this very issue are quoted below :

(i) Pune Bench in the case of *Shiv Sahyadri Nagari Sahakari Patsanstha Maryadit in ITA No.1788/PUN/2024 order dated 07.11.2024.*

(ii) Coordinate Bench, Chandigarh in the case of *Lanjani Cooperative Agri Service Society Ltd. vs. DCIT (2023) 146 taxmann.com 468 (Chandigarh-Trib.).*

(iii) Coordinate Bench, Lucknow in the case of *Sahakari Ganna Vikas Samiti Ltd. V. ACIT (2024) 169 taxmann.com 300 (Lucknow-Trib.).*



ITA No.2131/PUN/2025  
Naveshwar Nagari Patsanstha Maryadit

(iv) Coordinate Bench, Rajkot in the case of *Chakargadh Seva Sahakari Mandali Ltd.V. DCIT (CPC) (2021) 154 taxmann.com 228 (Rajkot – Trib.)*.

7. In the instant case CPC has made *prima-facie* adjustment by denying deduction on the ground that return of income was not filed within the stipulated time limit provided u/s 139(1) of the Act, section 80AC of the Act is invoked. On perusal of section 143(1)(a)(v) of the Act, I observe that by Finance Act 2021 effective from 01.4.2021 powers have been given to the CPC to make disallowance of deduction claimed under sections 10AA or under any of the provisions of Chapter VI-A under the heading ‘C’ – deduction in respect of certain incomes, if the return is furnished beyond the due date specified under sub-section (1) of section 139; Prior to 01.04.2021, there were no powers u/s.143(1)(a) of the Act for making such *prima-facie* adjustment denying deduction u/s.80P of the Act for delay in filing return of income. Since CPC has exceeded the jurisdiction the impugned disallowance is uncalled for. My view is fortified by the decisions cited (*supra*). Impugned order is set aside and Ground No.2 raised by the assessee is also allowed.

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

Order pronounced on this 10<sup>th</sup> day of November, 2025.

Sd/-

**(MANISH BORAD)**  
**ACCOUNTANT MEMBER**

पुणे / Pune; दिनांक / Dated : 10<sup>th</sup> November, 2025.

*Satish*



ITA No.2131/PUN/2025  
Naveshwar Nagari Patsanstha Maryadit

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, “**SMC**” बेंच,  
पुणे / DR, ITAT, “**SMC**” Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary  
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.