



**IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT**  
**BEFORE DR. ARJUN LAL SAINI, A CCOUNTANT MEMBER**

**&**

**SHRI DINESH MOHAN SINHA, JUDICIAL MEMBER**

**आयकर अपील सं./ITA No. 358/RJT/2025**  
**निर्धारण वर्ष / Assessment Year: (2019-20)**

Shree Chalala Vi Ka Seva Sahakari Mandali Ltd. Chalala Haveli Road, Dhari Amreli - 365630	<b>Vs.</b>	The ITO Ward 3(1)(4), Aayakar Bhavan, Race Course Ring Road, Rajkot - 360001
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AATAS2273D		
(Appellant)		(Respondent)

Appellant by : Ms. Devina Patel, Ld. AR  
Respondent by : Shri Abhimanyu Singh Yadav Ld. SR. DR  
**Date of Hearing : 27/08/2025**  
**Date of Pronouncement : 17/11/2025**

**आदेश / ORDER**

**Per, Dinesh Mohan Sinha, JM;**

Captioned appeal filed by assessee pertaining to Assessment Year 2019-20, is directed against order passed under section 250 of the Income Tax Act, 1961 by National Faceless Appeal Centre (NFAC), Delhi/Commissioner of Income Tax (Appeals), dated 31/03/2025, which in turn arises out of an order passed by the Assessing Officer u/s 143(1) of the Act.

2. The Grounds of appeal raised by the assessee are as follows: -

*1. The learned ADDL/JCIT (A)-1, Kolkata erred in confirming action of CPC, Bangalore in disallowing claim of deduction of Rs. 3,51,828/- u/s SOP of the Act by failing to appreciate that provisions of Sec. 143(1)(a)(v) do not provide for denial of deduction u/s 80P of the Act when the return of income is not filed within time allowed u/s 139(1) of the Act but u/s 139(4).*

*2. The learned ADDL/JCIT (A)-1, Kolkata erred in upholding action of the CPC, Bangalore in making adjustment to the returned income of the Appellant by way of*



*an intimation u/s 143(1) and in denying the benefit of Sec. 80P of the Act of Rs. 3,51,828/- to the Appellant by failing to appreciate that this was not a prima facie adjustment permissible u/s 143(1)(a) of the Act.*

*3.The learned ADDL/JCIT (A)-1, Kolkata erred in sustaining the disallowance of claim of deduction of Rs. 3,51,828/- made by the Appellant u/s 80P(2)(d) in the return of income filed for the year by failing to appreciate that the very reason for disallowance made by CPC did not survive as result of order u/s 119(2)(b) of the Act passed by the CCIT, Rajkot in case of Appellant.*

*4.The appellant craves leave to add, amend, alter and withdraw any ground of appeal anytime up to the hearing of this appeal.*

3. Facts of the Case that the appellant is a co-operative society with objects and activities of providing credit facilities to its members as well as it provides facility for members to purchase of agricultural implements, seeds live stocks or other articles for agricultural activity. The original return of income for the year was filed by the appellant on 30.11.2020 declaring total income of Rs.NIL, of claiming therein deduction Rs.12,63,933/- under section;

(i) 80P(2)(a)(i) - Rs.8,06,042/-

(ii) 80P(2)(a)(iv) - Rs.1,06,063/-

(iii) 80P(2)(d) - Rs.3,51,828/-

4. Thereafter, the appellant was in receipt of communication for not granting deduction of Rs. 1263 933/- claimed in the return of income u/s 80P of the Act, stating that the assessee not filed Return within due date of filing. The appellant filed reply that return of income was filed u/s 139(4) of the Act and provisions of Sec. 143(1)(a)(v) do not provide for denial of deduction u/s 80P of the Act even when the return of income is not filed within time limit as per Sec. 139(1) of the Act and therefore denial of deduction u/s 80P vide intimation u/s 143(1) was not valid in law. It was also submitted that such adjustment could not be called a prima facie adjustment. Intimation u/s 143(1) dated 28/12/2020 was received by appellant determining total income at Rs. 1263933/-



5. It is stated that the appellant has filed its original return within time allowed in filing return of income as per Sec. 139(4) of the Act.

6. That the assessee filed an appeal against the order of assessment intimation before Ld. CIT(A) dated on 28.12.2020, which was dismissed by the Ld. CIT(A).

7. That the assessee filed an appeal against the impugned order dated 31.03.2025 before this Tribunal.

8. During the course of hearing, the Learned AR for the assessee submitted that CCIT Rajkot has granted condonation of delay in filing the return. (CCIT order placed on record.)

9. On the contrary the Ld. DR. for the revenue has submitted that the order kindly be verified.

10. We have heard both the parties and perused the material available on record. We note that on perusal of the order of Ld. CCIT dated 18.10.2024 an application dated 11.04.2024 received on 22.04.2024, stated that the society is engaged in providing agricultural related credit to its members who are agriculturists. The Co-operative Society (Mandali) is located at – Chalala, Tal. Dhari, Dist. Amreli. The society was under impression that its entire income was not taxable and hence it was under impression that no return was to be filed. The society was not aware of the new provision of sec. 80AC of the Act, that the Ld. CCIT has allowed the application stating that *“Considering the elaborate facts discussed herein above and CBDT; circular np. 13/2023 dated 26.07.2023 referred supra wherein the Chief Commissioner of Income tax (CCsIT) are authorized to deal with such application. condonation u/s. 119(2)(b) for filing of return of income for AY 2019-20 is granted.* The issue involved in this case was that this return was late filed by the assessee and



the deduction claimed by the assessee u/s. 80P was disallowed. since the condonation of delay accepted by the CCIT no issue of dispute remain pending.

11. In view of the above the appeal of the assessee is allowed.

**Order pronounced in the open court on 17 / 11 /2025.**

**Sd/-**  
**(Dr. Arjun Lal Saini)**  
**Account Member**

Rajkot

दिनांक/ Date: 17/11/2025

**Copy of the Order forwarded to**

1. The Assessee
2. The Respondent
3. The CIT(A)
4. Pr. CIT
5. DR/AR, ITAT, Rajkot
6. Guard File

**Sd/-**  
**(Dinesh Mohan Sinha)**  
**Judicial Member**

By Order

Assistant Registrar/Sr. PS/PS  
ITAT, Rajkot