

IN THE INCOME TAX APPELLATE TRIBUNAL, RANCHI BENCH, RANCHI

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

ITA No. 73 & 74/Ran/2025

(Assessment Years-2021-22 & 2022-23)

Subhadra Construction, Ranga Bandh, Aamkura, PO-Maithon, Dhanbad-828207 (Jharkhand) PAN No. ABMFS 7473 E	Vs.	D.C.I.T., Circle-(1), Dhanbad.
Appellant/ Assessee		Respondent/ Revenue

Assessee represented by	Adjournment Application
Department represented by	Shri Rajib Jain, CIT-DR
Date of hearing	06/01/2026
Date of pronouncement	06/01/2026

ORDER

PER: BENCH

1. These are the appeals filed by the assessee against the orders of the Id. CIT(A), NFAC, Delhi both dated 27/01/2025 for the A.Y. 2021-22 and 2022-23 respectively.
2. The assessee has sought adjournment. As it is noticed that the issue in these appeals are very small. The adjournment application filed by the assessee is rejected and the appeals disposed off.
3. It was put to the Id. CIT-DR that the adjustment as done in Section 143(1) and denied under Section 154 is in respect of the exempt income claimed by the assessee representing the partners' share of profit from the firm. It was put to the Id. CIT-DR that as to how the said denial of the said exempt income can be done in an intimation under Section 143(1) in so far as it does not fall within prima facie adjustment as specified in the provisions of Section 143(1). It was submitted by the Id. CIT-DR that non-filing of the form shows

that the firm has not filed the return and therefore, the income cannot be granted as exempt. It was a submission that the adjustment is permissible.

4. We have considered the submissions. The firm having not filed its return cannot make the claim of exemption in the hands of the partners, prima facie adjustment which can be done in an intimation under Section 143(1) as the adjustment as done in the intimation is found to be not falling within the parameters of prima facie adjustment as required under the provisions of Section 143(1), the intimation issued under Section 143(1) and the consequential rectification denied, stands quashed.
5. In the result, both the appeals of the assessee are allowed.

Order announced in open court on 06/01/2026

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Sd/-
(GEORGE MATHAN)
JUDICIAL MEMBER

Ranchi, Dated: 06/01/2026

**Ranjan*

Copy to:

1. Assessee
2. Revenue
3. CIT
4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Ranchi