

**IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCH "A", PUNE**

**BEFORE SHRI R. K. PANDA, VICE PRESIDENT  
AND  
Ms. ASTHA CHANDRA, JUDICIAL MEMBER**

**ITA No.1049/PUN/2025  
Assessment year : 2018-19**

Mahatma Phule Gramin Bigarsheti Sahakar Pat Sanstha A/P Hattiwade, Ajara, Kolhapur – 416505 <b>PAN: AAAAM2608K</b> <b>(Appellant)</b>	<b>Vs.</b>	PCIT-1, Pune   <b>(Respondent)</b>
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Assessee by : None (written submission filed)  
Department by : Shri Amol Khairnar, CIT-DR  
Date of hearing : 09-12-2025  
Date of pronouncement : 09-01-2026

**ORDER**

**PER R.K. PANDA, V.P:**

This appeal filed by the assessee is directed against the order dated 28.03.2025 passed u/s 263 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') by the Ld. PCIT, Pune-1 relating to assessment year 2018-19.

2. Facts of the case, in brief, are that the assessee is a co-operative society and has not filed its return of income for the impugned assessment year. Information was available in the Insight portal under the head 'NMS cases' that the assessee has deposited cash of Rs.61,19,654/- in its bank account number 2188 maintained with Kallappanna Awade Chalkaranji Janata Sahakari Bank Ltd, Ichalkaranji. The Assessing Officer, therefore, reopened the assessment by recording reasons and accordingly issued notice u/s 148 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') on 31.03.2022 in response to which the assessee filed its

return of income on 22.04.2022 declaring total income at Nil and after claiming deduction u/s 80P under the Part-C of Chapter VI-A amounting to Rs.8,40,004/-. The Assessing Officer completed the assessment u/s 147 r.w.s. 144B of the Act accepting the returned income.

3. Subsequently the Ld. PCIT examined the records and observed certain discrepancies in the assessment order which according to him appeared to be prejudicial to the interest of the Revenue. He, therefore, issued a show cause notice u/s 263 of the Act asking the assessee to explain as to why the return filed by the assessee should not be revised. The contents of the notice issued u/s 263 of the Act read as under:

*"Please refer to the order passed u/s 147 r.w.s. 144B of the IT Act for the A.Y. 2018-19 dated 13/03/2023 in your case.*

*Based on the information available with the Department, it is seen that the assessee had made cash deposit in its bank account during the F.Y. 2017-18 to the tune of Rs. 61,19,654/- however the assessee did not file its return of income u/s 139(1) of the Act for the relevant A.Y. 2018-19*

*The assessment was completed u/s 147 r.w.s. 144B of the Act on 13/03/2023 determining the total income is Rs. Nil after allowing deduction u/s 80P of Rs. 8,40,004/*

*2. On subsequent review of the assessment and the case records available on ITBA Portal, the following facts are observed:*

*On subsequent verification of records it is seen that the FAO has allowed the deduction u/s 80P(2)(a)(i) to the tune of Rs. 8,40,004/- in spite of the fact that, the assessee is a non-filer for A.Y. 2018-19 and has not filed its return of income for A.Y. 2018-19 within the prescribed time limit u/s 139(1) of the Act. As per the provisions of section 80AC of the Act, the assessee has to file the return of income within the time limit prescribed under the provisions of section 139(1) of the Act to claim the deduction u/s 80P of the I.T. Act, 1961. The prevailing provisions of section 80AC of the IT Act is reproduced below:*

*"Deduction not to be allowed unless return furnished.*

**80AC.** Where in computing the total income of an assessee of any previous year relevant to the assessment year commencing on or after

*1.the 1st day of April, 2006 but before the 1st day of April, 2018, any deduction is admissible under section 80-IA or section 80-IAB or*

*section 80-IB or section 80-IC or section 80-ID or section 80-IE ; 1.*

*2.the 1st day of April, 2018, any deduction is admissible under any provision of this Chapter under the heading "C.-Deductions in respect of certain incomes", no such deduction shall be allowed to him unless he furnishes a return of his income for such assessment year on or before the due date specified under sub-section(1) of section 139.']"*

As the assessee failed to file the return of income as per the provisions of section 139(1) of the Act, the claim of the deduction u/s 80P under chapter VIA of the Act to the tune of Rs. 8,40,004/- is not allowable deduction as per the provision of section 80AC of the Act.

3. In view of the above, the order dated 13/03/2023 passed by the Faceless Assessing Officer(FAO), NeAC, Delhi under section 147 r.w.s 144B of the Income-tax Act, 1961 for the A.Y. 2018-19 is erroneous and prejudicial to the interest of revenue within the meaning of Explanation 2 of sub-section 1 of section 263 of the Income-tax Act, 1961 and is proposed to be revised.

4. In this connection, you are given opportunity of being heard by the undersigned. The attendance on the date of hearing is not insisted, you may furnish the reply through e-portal on or before 18/03/2025. Necessary documentary evidences, wherever required, may also be submitted. Please note that in case your reply is not received by the given date, the proceedings will be completed on the basis of material available on record.

5. Timely compliance to the notice will be appreciated considering the limitation of time."

4. However, despite number of opportunities granted by the Ld. PCIT the assessee did not respond for which the Ld. PCIT decided the issue on the basis of material available on record. He noticed that the assessee has made cash deposit of Rs.61,19,654/- and thus the gross receipts of the assessee exceeded the maximum

amount not chargeable to income tax during the assessment year 2018-19. The assessee was obligated to furnish return of income u/s 139(1) of the Act. However, he failed to file its return of income within the prescribed due date nor did it file the return within the extended period allowed u/s 139(4) of the Act. He noticed that the Assessing Officer while completing the assessment u/s 147 r.w.s. 144B of the Act allowed the claim of deduction u/s 80P of the Act amounting to Rs.18,19,066/- i.e. Rs.8,40,004/- u/s 80P(2)(a)(i), Rs.50,000/- u/s 80P(2)(c)(ii) and Rs.9,29,063/- u/s 80P(2)(d) of the Act. He noticed that the Assessing Officer had not made any query in this regard to the assessee during the course of assessment proceedings and allowed the deduction of Rs.8,40,004/- u/s 80P(2)(a)(i) of the Act despite contravention of the assessee to the provisions of section 80AC of the Act.

5. He observed that the provisions of section 80AC were first brought in the statute vide Finance Act, 2006. He also referred to the CBDT Circular No.14/2006 dated 28.02.2006 & CBDT Circular No.8/2018, dated 26.12.2018 and various decisions. Since the assessee failed to file the return of income within the period prescribed u/s 139(1) of the Act, therefore, he was of the opinion that the deduction of Rs.8.40.004/- claimed u/s 80P(2)(a)(i) of the Act was not allowable as per provisions of section 80AC of the Act. Since the Assessing Officer, without any verification and without conducting any enquiry, accepted the assessee's claim for deduction u/s 80P(2)(a)(i) of the Act and without considering the legal position, therefore, he held the order to be erroneous and prejudicial to the interest of

Revenue. He, therefore, set aside the order passed by the Assessing Officer with a direction to conduct proper verification of facts and re-examine the issue.

6. Aggrieved with such order of the Ld. PCIT, the assessee is in appeal before the Tribunal by raising the following grounds:

**1. Jurisdictional Error in invoking Section 263**

*Whether on the facts and circumstances of case and in Law, the PCIT is correct in invoking provision under Section 263 for disallowance of deduction under section 80P, without appreciating the fact that Order under section 147 was neither erroneous nor prejudicial to interest of the revenue as AO himself had no further jurisdiction to disallow any other item other than grounds for which the assessment was re-opened, as there was no addition on the grounds for which re-opening was sought.*

**2. Whether filing of ITR within time as section 80AC is mandatory or discretionary**

*Whether on the facts and circumstances of case and in Law, the PCIT is correct in invoking provision under Section 263 for disallowance of deduction under section 80P, without appreciating that compliance under section 80AC is not mandatory and it is discretionary and further, by implication, AO had accepted one of the views in case of debatable issue.*

**3. The assessee craves leave to amend, alter or delete any of the above grounds of appeal.**

**4. It is prayed that the above claims and allowances be allowed.**

7. None appeared on behalf of the assessee but the assessee has filed its written submission with a request to consider the same. It has been mentioned in the written submission that the issue of cash deposit was examined by the Assessing Officer during the course of assessment proceedings and in the assessment order in para 3.4 at page 3, the Assessing Officer has stated that no variation is proposed on the issue of cash deposit by the assessee society in its bank. It has been mentioned that the Assessing Officer has exhausted his jurisdiction as soon as he was satisfied

that the cash deposit of Rs.61,19,654/- in the bank account of the assessee for which the case of the assessee was reopened under the provisions of section 147 of the Act, was satisfactorily explained.

8. Referring to the decision of Hon'ble Bombay High Court in the case of S V Jadhav vs. ITO reported in (2024) 163 taxmann.com 263 (Bom), it has been mentioned that the Hon'ble High Court applying the decision of Hon'ble Bombay High Court in the case of CIT vs. Jet Airways (I) Ltd. reported in (2011) 331 ITR 236 (Bom), has held that once the Assessing Officer has accepted the contention of the assessee and held that the information report by the Insight portal is accounted for by the assessee in his books and income arising out of those transactions is duly offered for taxation, the order u/s 148A(d) of the Act cannot be sustained.

9. Referring to the decision of Hon'ble Delhi High Court in the case of ATS Infrastructure Ltd. Vs. ACIT reported in (2025) 473 ITR 595 (Del) it has been mentioned that the Hon'ble High Court has held that once assessment itself is reopened, it would not be confined to those subjects only, this would, however, be subject only to one additional rider and that if, in course of reassessment, Assessing Officer ultimately comes to conclude that no additions or modifications are warranted under those heads, it would not be entitled to make any additions in respect of other items forming part of original return.

10. Relying on various other decisions, it has been mentioned that the Assessing Officer has no power to make additions beyond reason to believe if there was no addition on account of reasons to believe for which notice u/s 148 of the Act was issued.

11. Referring to the following decisions it has been submitted that the power of Ld. PCIT u/s 263 cannot exceed the power of the Assessing Officer:

- a) *Jaspreet Singh Sidhu, ITA No. 335/CHD/2024 dated 18.09.2024*
- b) *Ashok Kumar vs. Principal Commissioner of Income-tax [2024] 164 taxmann.com 115 (Delhi-Trib.)/[2024] 207 ITD 583 (Delhi-Trib.) [26-06-2024]*
- c) *Sipura Developers (P.) Ltd v. PCIT [2024] 168 taxmann.com 543 (Delhi)*
- d) *Aishwarya Rai Bachchan vs. Principal Commissioner of Income-tax-8 [2022] 135 taxmann.com 335 (Mumbai - Trib) [25-02-2022]*

12. The assessee has also relied on the following decisions:

- i) *Rajya Rakhiv Police Karmachari Sahakari Patsanstha Maryadit vs. ITO vide ITA No.171/PUN/2025 order dated 16.06.2025 for assessment year 2012-13*
- ii) *Soyala Gram Sewa Sahakari Samiti Ltd. Vs. ITO vide ITA No.1116/JP/2024 order dated 08.01.2025 for assessment year 2015-16*
- iii) *Jaspreet Singh Sidhu vs. PCIT vide ITA No.335/CHD/2024 order dated 18.09.2024 for assessment year 2016-17*
- iv) *Ashok Kumar vs. PCIT (2024) 207 ITD 583 (Delhi – Trib.)*
- v) *Sipura Developers (P.) Ltd. Vs. PCIT (2024) 168 taxmann.com 543 (Del)*
- vi) *Aishwarya Rai Bachchan vs. PCIT (2022) 194 ITD 272 (Mumbai-Trib.)*

13. The Ld. DR on the other hand has also filed a detailed written submission. He submitted that reliance of the assessee on the decision of Hon'ble Bombay High Court in the case of CIT vs. Jet Airways (I) Ltd. (supra) is mis-placed. In that case, the Hon'ble Bombay High Court has held that if the original reason for reopening u/s 147 fails, the Assessing Officer cannot make additions on other issues which were not part of the recorded reasons. This ruling is strictly confined to (a) re-assessment proceedings u/s 147 / 148 (b) the jurisdictional validity of reopening. The Hon'ble High Court has not dealt with the provisions of section 263, changes in law by retrospective or clarificatory amendments, eligibility conditions under Chapter VIA deductions etc. He submitted that the assessee's reliance on the decision of the Pune Bench of the Tribunal in the case of Rajya Rakhiv Police Karmachari Sahakari Pat Sanstha Maryadit (supra) is also misplaced. In that decision, the Tribunal has decided the issue for assessment year 2012-13. In that case it has been specifically pointed out that section 80AC, which provides that for claiming deduction u/s 80P of the Act the return is to be filed within the statutory time limit has been inserted from 01.04.2018 and is not applicable in the said case as it pertains to assessment year 2012-13. Post amendment to section 80AC vide CBDT Circular No.8/2018 dated 26.12.2018 w.e.f. 01.04.2018, deduction in respect of certain incomes in Chapter VIA shall not be allowed unless the return of income is filed on or before the due date. In the instant case the assessee has not filed its original return of income as per provisions

of section 139(1) of the Act, therefore, the said decision relied on by the assessee is misplaced and not applicable to the facts of the present case.

14. Referring to the decision of Hon'ble Kerala High Court in the case of Nileshwar Rangekallu Chethu Vyavasaya Thozhilali Sahakarana Sangham reported in (2023) 152 taxmann.com 347 (Kerala), he submitted that the Hon'ble High Court in the said decision has held that the precondition to claim deduction u/s 80P of the Act had not been fulfilled by the assessee and therefore it was not entitled to benefit of exemption u/s 80P(2)(a)(vi) of the Act. He submitted that it is not a case of one of the two possible views. Further, in this case no view has been taken on this issue which resulted in non-application of correct provision of law.

15. Referring to the decision of Hon'ble Bombay High Court in the case of CIT, Nagpur vs. Ballarpur Industries Ltd reported in (2017) 85 taxmann.com 10 (Bom), he submitted that the Hon'ble High Court in the said decisions has held that where the Assessing Officer allowed claim of deduction under section 80HHC without examining said claim with reference to unabsorbed depreciation and investment allowance as referred to in sections 32 and 32A respectively, the Commissioner was justified in invoking revision under section 263 of the Act. He accordingly submitted that the order passed by the Ld. PCIT u/s 263 of the Act should be upheld and the grounds raised by the assessee be dismissed.

16. We have heard the rival arguments made by both the sides, perused the orders of the Assessing Officer and Ld. PCIT and the paper book filed on behalf of the assessee. We have also considered the various decisions cited before us. It is an admitted fact that the assessee has not filed its return of income but had made cash deposit of Rs.61,19,654/- in the bank account for which the case of the assessee was reopened and notice u/s 148 of the Act was issued to the assessee. We find when the assessee filed return of income the Assessing Officer in the order passed u/s 147 r.w.s. 144B of the Act has accepted the returned income wherein he allowed the claim of deduction u/s 80P of the Act to the tune of Rs.8,40,004/- despite the fact that the assessee is a non-filer for assessment year 2008-09 and has not filed its return of income for the said assessment year within the prescribed time limit u/s 139(1) of the Act and therefore, in view of the provisions of section 80AC w.e.f. 01.04.2018 and the CBDT Circular No.8/2018, dated 26.12.2018 the assessee is not entitled to claim the deduction u/s 80P of the Act. It is the submission of the Ld. Counsel for the assessee that the issue of cash deposit was examined by the Assessing Officer during the course of assessment proceedings and he has accepted the submission of the assessee regarding the source of cash deposit of Rs.61,19,654/- and therefore, once the Assessing Officer has accepted the contention of the assessee regarding the source of such cash deposit, he cannot travel beyond the reasons for which the case was reopened and therefore cannot make any other addition in respect of other items forming part of

original return. It is also his submission that the power of PCIT u/s 263 cannot exceed the power of the Assessing Officer.

17. It is the submission of the Ld. DR that when the assessee filed the return claiming deduction u/s 80P of the Act the Assessing Officer without putting any query has accepted the returned income. He has not examined the applicability of the provisions of section 80P(2)(a)(i) of the Act in view of the binding provisions of section 80AC of the Act which became effective from assessment year 2018-19 and the CBDT Circular No.8/2018, dated 26.12.2018 which is binding on the Revenue.

18. We find some force in the above arguments of the Ld. DR. Admittedly the assessee was a non-filer and the case of the assessee was reopened on the ground that the assessee has made huge cash deposits in the bank account and has not disclosed the true and correct income. When the assessee filed return in response to the notice u/s 148 of the Act after claiming deduction u/s 80P, the Assessing Officer was duty bound to examine the allowability of deduction u/s 80P of the Act in the light of provisions of section 80AC of the Act and the CBDT Circular No.8/2018 dated 26.12.2018. However, the Assessing Officer in the instant case neither asked any query on this issue nor the assessee has given any justification for claiming such deduction despite not being eligible for the same. Under these circumstances, we are of the considered opinion that the order passed by the

Assessing Officer has become erroneous as well as prejudicial to the interest of the Revenue.

19. We find the Hon'ble Bombay High Court in the case of CIT, Nagpur vs. Ballarpur Industries Ltd (supra) has held that where the Assessing Officer allowed claim of deduction under section 80HHC without examining said claim with reference to unabsorbed depreciation and investment allowance as referred to in sections 32 and 32A respectively, the Commissioner was justified in invoking revision under section 263 of the Act. The relevant observations of Hon'ble High Court from para 10 to 16 read as under:

*“10. The law on exercise of jurisdiction under Section 263 of the Act is settled by the decision of the Apex Court in the case of Malabar Industrial Co. Ltd. v. CTT [2000] 243 ITR 83/109 Taxman 66 wherein it has recorded that power of revision under Section 263 of the Act can be exercised only on satisfaction of twin conditions namely the order of the Assessing Officer must be erroneous, and also prejudicial to the interest of the revenue. The Court further observed that where a claim made by the assessee is allowed by the Assessing Officer without having made any enquiry, then the order of the Assessing Officer to the extent it allowed such a claim is erroneous in law. The Apex Court also recorded the fact that where two views are possible, and the Assessing Officer has taken one possible view, then even if the CIT does not agree with the view, it would not give him the jurisdiction to exercise jurisdiction under Section 263 of the Act.*

*11. In the above view, Mr. Bhattad, learned counsel for the applicant-Revenue submits that it is very clear that the claim of the respondent- assessee for deduction under Section 80HHC of the Act was allowed without any discussion and/or consideration of the eligibility and / or extent of eligibility of claim under Section 80HHC of the Act. Therefore, the substantial question of law be amended in favour of Revenue.*

*12. However, Mr. Dewani, learned counsel for the respondent-assessee while not disputing the above position in law with the requirement of satisfaction of twin requirements, submits that in this case the issue was debatable and two views were inherently possible in view of the complexity of Section 80HHC of the Act. In support he placed reliance upon the decision of the Apex Court in Max India Ltd. (supra) which also reiterates that where two views are possible, the exercise of the revisional power under Section 263 of the Act is not called for. The two views he*

*submits by inviting our attention to the fact that statement of case refers so the decision of the Tribunal placing reliance upon its decision in Mysore Exports Ltd. (supra) taking the same view. Further in support that there were two views possible at the time when the Assessing Officer passed the order, reliance was placed upon the decision of the Andhra Pradesh High Court in CIT v. Gogineni Tobacco Ltd (1999) 238 ITR 970 which relies upon the orders passed under the Act indicating the issue is debatable. Without prejudice to the above, it is also submitted that from a bare reading of the statement of case it is clear that the Assessing Officer had allowed deduction under Section 80HHC of the Act only after due application of mind. In support of the aforesaid, he relied upon the fact of the statement of case refers to the words "allowed deduction under Section 80HHC of the Act". Further observation in the statement of case Assessing Officer is thus seemed to have allowed deduction under Section 80HHC without subjecting the claim to due verification and subsequent quantification and allowability".*

13. *The above issue which comes for our consideration is, did the Assessing Officer consider and examine the claim of the respondent before allowing a claim for deduction under Section 80HHC of the Act. The respondent-assessee seeks to draw inference from the statement of case that there was an inquiry made before allowing the claim of deduction under Section 80HHC of the Act at Rs.92.81 lakhs. This inference is not justified. Mere using the word "allowed" does not mean examination and enquiry before allowing deduction under Section 80HHC of the Act. The words "due verification" would include within its ambit not only inadequate Inquiry/verification but also no enquiry/verification. However, in case the respondent-assessee was of the view that the claim has been examined by the Assessing Officer before allowing it, then respondent-assessee ought to have the statement of case modified/amended so as to bring the aforesaid facts on record, as held by the Apex Court in the case of Calcutta Agency Ltd. (supra). This not being done and now to draw far fetched inference cannot be accepted. It is now settled in view of Malabar Industries (supra) that non-enquiry before allowing the claim would make the order of the Assessing Officer amenable to jurisdiction under Section 263 of the Act. The non-enquiry by the Assessing Officer gives jurisdiction under Section 263 of the Act. Merely because the issue is debatable, it does not absolve the Assessing Officer from examining the issue and taking a view on the claim after examination. Similarly because the two views are possible and or that there are contrary view of higher forums, does not permit non-examination of the claim and taking one of the possible view by giving reasons. In this case no examination of the claim under Section 80 HHC of the Act has been done by the Assessing Officer. Therefore, the exercise of jurisdiction by the Commissioner of Income Tax under Section 263 of the Act was valid.*

14. *The decision of the Apex Court in Max India Ltd. (supra) relied upon by the respondent-assessee to our mind would not come to its rescue for the reason that in the present facts the statement of the case does not indicate that the view taken to allow the claim under Section 80 HHC of the Act was after examination/inquiry. Mere taking of a view by the Assessing Officer without having subjected the claim to examination would not make it a view of the Assessing Officer. A view has*

*necessarily to be preceded by examination of the claim and opting to choose one of the possible results. In the absence of view being taken, merely because the issue itself is debatable, would not absolve the Assessing Officer of applying his mind to the claim made by the assessee and allowing the claim only on satisfaction after verification/enquiry on his part. A view in the absence of examination is no view but only a chance result. Therefore, even the decision of the Andhra Pradesh High Court in Gogineni Tobacco Ltd. (supra) will also have no application.*

15. *It appears from the decision of the Apex Court in Max India Ltd. (supra) that the Assessing Officer had taken one of the two views of the word "profit" as occurring in Section 80 HHC of the Act. Therefore, it was in that context that the Apex Court held that Section 263 of the Act would not be attracted particularly when the view of the Assessing Officer was found to be a view taken by various authorities under the Act. In passing we may point out that as recorded in the statement of case, the Tribunal held the exercise of powers under Section 263 of the Act by the Commissioner of Income Tax to be bad in law as the view of the Assessing Officer was in line with the decision of the Tribunal in Mysore Exports Ltd (supra). It is relevant to note that on the date when the Commissioner of Income Tax exercised his powers under Section 263 of the Act on 31.03.1995, the decision of the Tribunal in Mysore Exports Ltd (supra) was not available before him as it was rendered on 19.05.1995.*

16. *Therefore, we are of the view that the Assessing Officer cannot abdicate his responsibility of examining the claim for deduction before allowing it. Absence of examination of the claim made by the assessee while passing an assessment order and allowing the claim made, would render the order of the Assessing Officer erroneous and coupled with the fact that in this case it is admitting prejudicial to the interest of the revenue, exercise of the revisional jurisdiction under Section 263 of the Act by the Commissioner of Income Tax proper and valid."*

20. So far as the decision of Hon'ble Bombay High Court in the case of CIT vs. Jet Airways (I) Ltd. (supra) is concerned, we find the said decision is not applicable to the facts of the present case. In that case the ruling was confined to re-assessment proceedings u/s 147 / 148 and the jurisdictional validity of reopening. The Hon'ble High Court has not dealt with revisional jurisdiction u/s 263, changes in law by retrospective or clarificatory amendments, eligibility conditions under Chapter VIA deductions etc. In the instant case the Ld. PCIT has only dealt with the applicability of section 80AC and the said action of the Ld.

PCIT is consequence to assessment order passed u/s 147 r.w.w.s. 144B of the Act by the Assessing Officer. Since the provisions of applicability of section 80AC of the Act has not been considered by the Assessing Officer while allowing the claim of deduction u/s 80P(2)(A)(i) of the Act, therefore, the decision relied upon by the Ld. Counsel for the assessee in our opinion is distinguishable and is not applicable to the facts of the present case. The various other decisions relied upon by the assessee in the paper book are also distinguishable and not applicable to the facts of the present case. Since the Assessing Officer in the instant case without verifying the allowability of deduction u/s 80P(2)(a)(i) of the Act in light of provisions of section 80AC and the CBDT Circular No.8/2018, dated 26.12.2018 which is binding on the Revenue, has allowed the claim of deduction made by the assessee in the belated return of income, therefore, the order has become erroneous and prejudicial to the interests of the Revenue. Therefore, we uphold the order passed by the Ld. PCIT by invoking the powers vested in him u/s 263 of the Act. The grounds raised by the assessee are accordingly dismissed.

21. In the result, the appeal filed by the assessee is dismissed.

Order pronounced in the open Court on 9<sup>th</sup> January, 2026.

**Sd/-**  
(ASTHA CHANDRA)  
JUDICIAL MEMBER  
पुणे Pune; दिनांक Dated : 9<sup>th</sup> January, 2026  
GCVSR

**Sd/-**  
(R. K. PANDA)  
VICE PRESIDENT

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

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent
3. The concerned Pr.CIT, Pune
4. DR, ITAT, 'A' Bench, Pune
5. गार्ड फाईल / Guard file.

**आदेशानुसार/ BY ORDER,**

**// True Copy //**

Assistant Registrar  
आयकर अपीलीय अधिकरण ,पुणे  
/ ITAT, Pune

S.No.	Details	Date	Initials	Designation
1	Draft dictated on	07.01.2026		Sr. PS/PS
2	Draft placed before author	08.01.2026		Sr. PS/PS
3	Draft proposed & placed before the Second Member			JM/AM
4	Draft discussed/approved by Second Member			AM/AM
5	Approved Draft comes to the Sr. PS/PS			Sr. PS/PS
6	Kept for pronouncement on			Sr. PS/PS
7	Date of uploading of Order			Sr. PS/PS
8	File sent to Bench Clerk			Sr. PS/PS
9	Date on which the file goes to the Office Superintendent			
10	Date on which file goes to the A.R.			
11	Date of Dispatch of order			