

**THE INCOME TAX APPELLATE TRIBUNAL
DELHI “B” BENCH: NEW DELHI**

**BEFORE SHRI SUDHIR KUMAR, JUDICIAL MEMBER &
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

**ITA No.4537/Del/2025
[Assessment Year : 2018-19]**

P & R Engineering Service Pvt. Ltd. , 89, Lok Nayak Apartment, Rohini Courts, S.O. Rohini Courts, North West Delhi, New Delhi-110085. PAN-AACCP0484E		Vs.	DCIT Circle-19(1) New Delhi
APPELLANT			RESPONDENT
Appellant by	Shri V.K. Agarwal, AR & Shri Hrithik Lamba, Adv.		
Respondent by	Shri Rajesh Kumar Dhanesta, Sr. DR		
Date of Hearing	03.02.2026		
Date of Pronouncement	11.02.2026		

ORDER

PER MANISH AGARWAL, AM :

The present appeal is filed by assessee against the order dated 03.07.2025 of Ld. Commissioner of Income Tax (A), National Faceless Appeal Centre (“NFAC”), Delhi [“Ld. CIT(A)”] in Appeal No. NFAC/2017-18/10031831 passed u/s 250 of the Income Tax Act, 1961 [“the Act”] arising out of assessment order dated 11.02.2021 passed u/s 143(3) r. w. sections 143(3A) & 143(3B) of the Act pertaining to Assessment Year 2018-19.

2. Brief facts of the case are that assessee has claimed deduction u/s 80-IA of the Act of INR 5,62,48,491/- which was disallowed by

the AO for the sole reason that the return of income was filed belatedly on 30.03.2019 though the same has to be filed upto 31.10.2018 in terms of the due date as per section 139(1) of the Act. Ld. CIT(A) confirmed the said disallowance and dismissed the appeal of the assessee.

3. Aggrieved by the order of Ld. CIT(A), assessee is in appeal before the Tribunal by taking following grounds of appeal:-

1. *“That the Ld. CIT(A) has grossly erred on facts and in law in confirming the assessment order which is against the provisions of the IT Act, 1961 and in violation of principles of natural justice.*
2. *That on the facts and in the circumstances of the case and in law. the order passed by the learned Commissioner of Income-2 tax (Appeals), National Faceless Appeal Centre is against the provisions of the IT Act, 1961 and in violation of principles of natural justice.*
3. *That the Ld. CIT(A) has grossly erred on facts and in law in upholding the disallowance of deduction under Section 801A 3 amounting to 25,62,48,491/-, solely on the ground that the return of income was not filed u/s 139(1) as required u/s 80AC of the IT Act, 1961.*
4. *That the Ld. CIT(A) has grossly erred on facts and in law in not considering the submission made before AO in respect of non-application of mind by the Ld. AO in completing the assessment.*
5. *That the Ld. CIT(A) has grossly erred on facts and in law in 5 ignoring the submissions made before him that the requirement u/s 80AC is directory and not mandatory.*
6. *That the Ld. CIT(A) has grossly erred on facts and in law in ignoring the submissions made before him that section 139(4) is an extension of section 139(1) and the ITR was duly filed within the time extended u/s 139(4).*
7. *That the Ld. CIT(A) has grossly erred on facts and in law in not considering the judgement of Hon'ble Supreme Court in the case of CIT vs Vegetable products, 88 ITR 192, which was specifically brought to his notice to emphasise that if there are two interpretations, the assessee is entitled to the one benefitting to it.*

8. *That the Ld. CIT(A) has grossly erred on facts and in law in 8 ignoring the settled judicial principle that provisions intended for promoting economic growth have to be interpreted liberally.*
9. *That the Ld. CIT(A) has grossly erred on facts and in law in ignoring the case laws relied upon by the appellant.*
10. *That the appellant craves leave to add, alter, amend, OR withdraw any ground of appeal at the time of hearing.”*

4. At the outset, before us, Ld.AR for the assessee filed an application under Rule 29 of the Income Tax Appellate Tribunal Rules, alongwith additional evidences requesting that the said evidence being crucial to the issue in hand therefore, the same be admitted. The evidence filed before us is the order of CBDT vide F.No.197/128/2021-ITA-1 dated 01.12.2025 and consequent order of ld. PCIT, Delhi-7 giving effect u/s 119(2)(b) of the Act to the order passed by CBDT condoning the delay in filing the Income tax return by the assessee for the assessment year before us. As per the approval by CBDT, delay in filing the return of income belatedly has been condoned therefore, the claim of the assessee of deduction u/s 80-IA of the Act is revived.

5. It is further seen that in the order passed by CBDT dated 01.12.2025 in para 3, it is stated that the condonation of delay in filing ITR will not amount to acceptance of claims made in the concerned ITR of the applicant and the AO shall deal with it on merits. Accordingly, Ld. Sr. DR prayed that the matter be sent to the file of AO for necessary verification of the claim of deduction u/s 80IA of the Act made by the assessee.

6. Heard the contentions of both parties and perused the material available on record. On perusal of the additional evidences filed, we are of the considered view that these additional evidences filed by the assessee include approval letter of CBDT extending the due date of filing of return and consequent effect order passed by the PCIT condoning the delay in filing the return of income which both are goes to crucial to decide the issue before us, and since both the orders are subsequent to the date of order of Id. CIT(A) therefore, the assessee could not filed them before the lower authorities. Looking to these facts, we admit the additional evidences filed by the assessee.

7. All the grounds of appeal taken by assessee are regarding denial of deduction u/s 80-IA of the Act for the sole reason that return of income was filed beyond the due date prescribed u/s 139(1) of the Act. It is further observed that the AO in para 2 at page 2 of the assessment order stated that replies filed by the assessee found to be correct however, since the return of income was filed after due date therefore, he disallowed the deduction u/s 80-IA of the Act. It is further observed that it was not the first year of claim of deduction u/s 80 IA by the assessee and once the AO has accepted the claim by not finding any discrepancy in the details filed by the assessee and denied the same on technical default of delay in filing the return of income, it cannot be said that he has not examined the allowability of deduction u/s 80IA on the merits of the claim made by the assessee.

8. In view of the fact that CBDT has condoned the delay in filing the return of income and effect order is passed by PCIT by following the directions of the CBDT where the return of income filed by the assessee on 30.03.2019 is treated as regular and valid return and therefore, the assessee is entitled for deduction u/s 80-IA of the Act.

9. Accordingly, we allow the deduction claimed by the assessee u/s 80-IA of the Act. All the Grounds of appeal raised by the assessee are thus, allowed.

10. In the result, appeal of the assessee is allowed.

Order pronounced in the open Court on 11.02.2026.

Sd/-

**(SUDHIR KUMAR)
JUDICIAL MEMBER**

Sd/-

**(MANISH AGARWAL)
ACCOUNTANT MEMBER**

Date:- 11.02.2026

Amit Kumar, Sr.P.S

Copy forwarded to:

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2. Respondent
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