



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

BEFORE DR.MANISH BORAD, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.2616/PUN/2025
Assessment Year : 2016-17

Royal Palms Residency Co-operative Housing Society Limited, Survey No. 7/6A 7/6B Matheran Road, Koproli, Panvel-410706, Maharashtra PAN: AACAR1399A	Vs.	Central Processing Centre/ Income Tax Officer, Ward 5, Panvel
Appellant		Respondent

Assessee by	:	Shri Rajesh Athavale (Virtual)
Revenue by	:	Shri Ambarnath Khule (through virtual)
Date of hearing	:	17.03.2026
Date of pronouncement	:	17.04.2026

आदेश / ORDER

The captioned appeal at the instance of assessee pertaining to A.Y. 2016-17 is directed against the order dated 23.09.2025 framed by Addl/JCIT (A), Bhubaneswar arising out of Intimation Order dated 14.06.2018 passed u/s.143(1) of the Income Tax Act, 1961 (in short 'the Act').

2. The assessee is aggrieved with the denial of deduction u/s.80P of the Act at Rs.12,26,028/-.

3. I have heard the rival submissions and perused the record placed before me. I observe that the assessee is a Cooperative Housing Society and also holds the PAN of an Association of Persons (AOP). Return of income for A.Y. 2016-17 has been furnished on 21.12.2017. However, the assessee made certain mistakes in filing the return, firstly



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the status of the assessee has been mentioned as “Firm” in the income-tax return and secondly the assessee has filed ITR-5 which is meant for filing the return for “Partnership Firm”. However, in the return so filed, the assessee has claimed deduction u/s.80P of the Act at Rs.12,26,028/-. CPC has denied the said claim. Though the ld. Counsel for the assessee has been claiming that no prior Intimation has been given, ld. DR has stated that prior Intimation has been issued by CPC. Further, ld. Counsel for the assessee submitted that such *prima-facie* adjustment denying deduction u/s.80P of the Act for delay in filing the return of income has been inserted in the statute by the Finance Act, 2021 giving powers to CPC u/s.143(1)(a)(v) of the Act and therefore such *prima-facie* adjustment made by CPC for A.Y. 2016-17 is uncalled for. My attention has been drawn to the details of documents filed in the paper book running into 101 pages and the case laws relied upon by ld. Counsel for the assessee. Index of the same reads as under :

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Royal Palms Residency Co-operative Housing Society Limited

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Date of Hearing: 18 December 2025

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Certified that documents mentioned at page 1 to 15 filed before the CIT(A). Remaining documents are the case laws.

R. S. Athavale

Rajesh S. Athavale
Chartered Accountant

4. During the course of hearing, ld. Counsel for the assessee contended that admittedly there is mistake on the part of assessee in furnishing wrong information in the income tax return showing the status of the assessee as a "Partnership Firm". This fact indicates that CPC has not



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denied the claim u/s.80P of the Act solely on the ground of delay in filing of return of income but has denied the deduction u/s.80P of the Act as is not allowable to the “Partnership Firm”. All these facts clearly indicate that assessee did not appear before the ld. Assessing Officer to furnish details because the CPC has passed the order. Therefore, in the interest of justice, the issue on merits is restored to the file of ld. Jurisdictional Assessing Officer for afresh adjudication and to compute the income of the assessee treating it to be a Cooperative Housing Society and thereafter examine the deduction u/s.80P of the Act in light of settled judicial precedents including the powers given to the CPC to make *prima-facie* adjustment u/s.143(1)(a)(v) of the Act to deny the deduction claimed under Chapter VIA of the Act for the returns filed beyond the prescribed due date and the said amendment is applicable from A.Y. 2021-22. Ld. Counsel for the assessee raised no objection if an opportunity is granted to the assessee by restoring the issue to the file of ld. Jurisdictional Assessing Officer. Assessee is also directed to remain vigilant and not to take adjournment unless otherwise required for reasonable cause, failing which the ld.JAO shall be free to proceed in accordance with law. Impugned order is set aside and the effective grounds of appeal raised by the assessee are allowed for statistical purposes.



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5. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced on this 17th day of April, 2026.

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 17th April, 2026.
Satisfy

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 //

Assistant Registrar,
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.