

**IN THE INCOME TAX APPELLATE TRIBUNAL
“SMC” “C” BENCH: BANGALORE**

BEFORE SHRI CHANDRA POOJARI, ACCOUNTANT MEMBER

ITA No.311/Bang/2023
Assessment Year: 2018-19

Bylapanapallya Chandrappa 58, Bylapanapalya, Madavara Post Dasanapura, Hobli Bangalore 562 123 Karnataka PAN NO : AFSPB3915J	Vs.	ITO Ward-1(2)(1) Bangalore
APPELLANT		RESPONDENT

Assessee by	:	Shri K. Sheshadri, A.R.
Respondent by	:	Shri Ganesh R. Ghale, Standing Counsel for Revenue

Date of Hearing	:	12.06.2023
Date of Pronouncement	:	12.06.2023

O R D E R

PER CHANDRA POOJARI, ACCOUNTANT MEMBER:

This appeal by assessee is directed against order of NFAC for the assessment year 2018-19 dated 20.2.2023. The assessee has raised following grounds:

No.	Ground	Tax effect relating to each Ground of appeal
1	<i>The National Faceless Appeals Centre (NFAC) was wrong on facts and in law in confirming the assessed income of Rs. 38,30,823 as against the returned income of Rs. 19,43,088.</i>	583311
2	<i>The NFAC erred in confirming the denial of the deduction of thirty per cent and further taxing the entire annual rent of Rs 345000 as income from other sources.</i>	31982
3	<i>The NFAC erred in confirming the disallowance of salary of Rs. 13,97,000</i>	- 431673
4	<i>The NFAC erred in confirming the disallowance of one sixth of the expenses and depreciation of Rs. 279238 with respect to vehicle maintenance.</i>	86285
5	<i>The NFAC erred in sustaining the addition made by invoking section 40A(3) when the ingredients of the section were not met</i>	25955
6	<i>The NFAC erred in confirming the disallowance of Rs. 24000 for non- deduction of TDS .</i>	7416
7	<i>The NFAC ought to have decided the appeal on merits</i>	583311
8	<i>All grounds taken are without prejudice to each other. The Appellant craves leave to add to, amend, vary, withdraw or alter any or all of the above grounds of appeal. The Appellant prays that the appeal be allowed in the interests of justice.</i>	
	Total tax effect	583311

2. At the time of hearing, ld. A.R. submitted that the order was passed ex-parte by NFAC and the issue may be remitted to the file of NFAC for fresh consideration.

3. The ld. D.R. submitted that the NFAC fixed the case for hearing on 26.10.2021, 13.1.2023 & 9.2.2023. The assessee did not file any submissions before NFAC and hence, the order was passed ex-parte.

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Hence, he requested that the issue may be decided by this Tribunal on merit.

4. I heard the rival submissions and perused the materials available on record. Admittedly, there was no submissions filed by the assessee before NFAC. The NFAC confirmed the order of the AO ex-parte. In my opinion, it is just and fair to remit the issue in dispute to the file of NFAC for giving an opportunity of hearing to the assessee. Accordingly, issue in dispute is remitted to the file of NFAC for fresh consideration.

5. In the result, the appeal of the assessee is partly allowed.

Order pronounced in the open court on 12th June, 2023

Sd/-
(Chandra Poojari)
Accountant Member

Bangalore,
Dated 12th June, 2023.
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The CIT(Judicial)
5. The DR, ITAT, Bangalore.
6. Guard file

By order

Asst. Registrar,
ITAT, Bangalore.