

**IN THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD “SMC” BENCH, AHMEDABAD**

BEFORE Ms. SUCHITRA KAMBLE, JUDICIAL MEMBER

**ITA No.413/Ahd/2024
Assessment Year: 2018-19**

Gopesh Gagjibhai Sutariya, 31, Amrashirsh Bunglows, Anandnagar Road, Prahlanagar, Satellite, Gujarat – 380 051. [PAN – ALHPS 0040 E]	Vs.	The Income Tax Officer, Ward – 3(3)(1), Ahmedabad.
(Appellant)		(Respondent)
Assessee by	None	
Revenue by	Shri Purshottam Kumar, Sr. DR	
Date of Hearing	10.06.2024	
Date of Pronouncement	14.06.2024	

ORDER

This appeal is filed by the assessee against order dated 06.02.2024 passed by the CIT(A), National Faceless Appeal Centre (NFAC), Delhi for the Assessment Year 2018-19.

2. The assessee has raised the following grounds of appeal :-

- “1. The hearing notice received on the mail id skabariya1991@gmail.com which belongs to our Ex-employee Sandip Kabariya so we were unable to receive the hearing notice and communication and therefore unable to reply to the notices.
2. The above order has been passed without following the principles of natural justice and not giving the opportunity of being heard.
3. We request you to allow our appeal and shall be vigilant for the matter and shall comply with all the further notices.”

3. The assessee filed its return of income for the Assessment Year (A.Y.) 2018-19 on 30.10.2018 declaring loss of Rs.58,07,899/-. The case was selected for scrutiny through CASS for reasons that deduction from income from other

sources was not explained. The Assessing Officer issued notice under Section 143(2) of the Income Tax Act, 1961 on 22.09.2019. The Assessing Officer observed that the assessee earned interest income of Rs.57,44,019/- during the year under consideration and claimed deduction of Rs.55,54,211/- against the interest income under Section 57 of the Act. The Assessing Officer observed that the assessee had not furnished the loan confirmation in respect of claimed interest expenses. The Assessing Officer completed the assessment under Section 143(3) of the Act read with Section 144B of the Act on 22.04.2021 by disallowing interest expenses claimed at Rs.55,54,211/- under Section 57 of the Act and added the same to the total income of the assessee. The Assessing Officer assessed the total loss of the assessee at Rs.2,53,688/-.

4. Being aggrieved by the Assessment Order, the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. At the time of hearing, none appeared on behalf of the assessee despite giving notices for hearing on earlier two occasions. The Notices issued to the assessee were returned by the Postal Department with the remark "left". There is no new address informed by the assessee to the Registry and, therefore, the response through Registered Post as well as through email id. has not been received by the Registry. Hence, the matter is proceeded on the basis 7. of grounds of appeal and also that of the order of the CIT(A) which is non-speaking order.

6. The Ld. DR relied upon the Assessment Order and the order of the CIT(A).

7. Heard the Ld. DR and perused all the relevant material available on record. It is pertinent to note that the CIT(A) has dismissed the appeal on the ground of non-prosecution without discussing the matter on merit as well as not given the details of service of notices given to the assessee for hearing before the CIT(A). Thus, the matter needs proper verification and adjudication and, therefore, matter is remanded back to the file of CIT(A) for proper adjudication of the issues on merit after taking cognisance of the evidences, if any, filed by the assessee in the second round of litigation before the CIT(A). Needless to say, the assessee be

given opportunity of hearing by following the principles of natural justice. It may be noted by the assessee that the assessee will not take any adjournment and wilfully represent the case as from the conduct of the assessee it appears that the assessee is not taking precaution of the pending matter either before the CIT(A) or before the Tribunal and, therefore, it is particularly directed to the assessee that the matter may be taken seriously and the relevant documents may be filed before the CIT(A) within the stipulated time given by the CIT(A) as the case is related to the interest expenses for which details of evidences as set out by the Assessing Officer needs to be filed. If the assessee is deliberately delaying the proceedings for non-availability of the evidences, then the CIT(A) will take appropriate decision as per due process of law.

8. In the result, appeal of the assessee is partly allowed for statistical purpose.

Order pronounced in the open Court on this 14th June, 2024.

Sd/-
(SUCHITRA KAMBLE)
Judicial Member

Ahmedabad, the 14th June, 2024

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Copies to: (1) *The appellant*
(2) *The respondent*
(3) *CIT*
(4) *CIT(A)*
(5) *Departmental Representative*
(6) *Guard File*

By order

Assistant Registrar
Income Tax Appellate Tribunal
Ahmedabad benches, Ahmedabad