

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

**BEFORE Ms. SUCHITRA KAMBLE, JUDICIAL MEMBER**

**ITA No.585/Ahd/2024  
Assessment Year: 2018-19**

Indraprasth-5 Co-op. Housing Service Society Limited, Indraprasth-5, B/h. Flavour Restaurant, Prahlanagar, Ahmedabad – 380 051. <b>[PAN – AAAAI 3586 N]</b>	Vs.	NFAC, Delhi, Jurisdictional A.O. : The Income Tax Officer, Ward – 3(3)(1), Ahmedabad.
(Appellant)		(Respondent)
Assessee by	Shri M.K. Patel, AR	
Revenue by	Shri Purshottam Kumar, Sr. DR	
Date of Hearing	11.06.2024	
Date of Pronouncement	18.06.2024	

**ORDER**

This appeal is filed by the assessee against order dated 28.02.2024 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) That on facts, in law, and on evidence on record, the learned National Faceless Appeal Centre (NFAC) has grievously erred in not granting reasonable and sufficient opportunity of hearing and in deciding the appeal ex-parte.
- 2) That on facts, and in law, the learned NFAC has grievously erred in not holding that the entire income of the appellant is exempt on the principle of mutuality.
- 3) That on facts and in law, the learned NFAC has grievously erred in confirming the disallowance of expenses of Rs.15,34,697/- claimed by the appellant by holding it as not allowable u/s.57 of the Act.
- 4) That on facts, and in law, the learned NFAC has grievously erred in confirming the disallowance of claim of basic deduction of Rs.50,000/- available u/s.80P(2)(c)(ii) of the Act to the appellant.”

3. The assessee is a Co-op. Housing Society and filed return of income for the Assessment Year (A.Y.) 2018-19 on 26.06.2018 declaring total income of Rs.54,760/-. Subsequently the assessee filed revised return of income on the same day declaring income at Rs.54,760/-. The case was selected for complete scrutiny on the issue of deduction from income from other sources. Statutory notices were issued but the assessee did not respond to the same and, therefore, the Assessing Officer made addition of Rs.15,34,697/- thereby disallowing expenses claimed against interest income.

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. The Ld. AR submitted that the Accountant of the assessee Society was not well as he was suffering from certain health issues, therefore, could not upload the reply of the assessee before the CIT(A). Therefore, the assessee's representation and the submissions were not before the CIT(A). The Ld. AR submitted that the matter was decided by the CIT(A) ex-parte and, therefore, the matter may be remanded back to the file of the CIT(A) after giving opportunity to the assessee to represent his case on merit.

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

7. Heard both the parties and perused all the relevant material available on record. It is pertinent to note that the assessee could not represent his case properly due to the reason that the assessee's Accountant could not upload the reply and submissions alongwith details on merit before the CIT(A). Hence, it will be appropriate to remand back this matter to the file of the CIT(A) for proper adjudication of the issues contested therein on merit as per Income Tax Statute. Needless to say, the assessee be given opportunity of hearing by following the principles of natural justice.

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

Order pronounced in the open Court on this 18<sup>th</sup> June, 2024.

*Sd/-*  
**(SUCHITRA KAMBLE)**  
Judicial Member

**Ahmedabad, the 18<sup>th</sup> 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*