

**IN THE INCOME TAX APPELLATE TRIBUNAL “C” BENCH, MUMBAI**

**BEFORE SHRI NARENDRA KUMAR BILLAIYA, AM AND  
MS. KAVITHA RAJAGOPAL, JM**

ITA No.2492/Mum/2024  
(Assessment Year: 2016-17)

Computility India Private Limited Office No. 1, 17 <sup>th</sup> Floor, Plot No. 209, Atlanta Building, Jammalal Bajaj Marg, Nariman Point, Mumbai-400 021	Vs.	ITO, Aayakar Bhavan, Mumbai-400 020
PAN/GIR No. AAACC 2114 L		
<b>(Assessee)</b>	:	<b>(Respondent)</b>
<b>Assessee by</b>	:	None
<b>Respondent by</b>	:	Shri H. M. Bhatt
<b>Date of Hearing</b>	:	16.07. 2024
<b>Date of Pronouncement</b>	:	30.07.2024

**ORDER**

**Per Kavitha Rajagopal, J M:**

This appeal has been filed by the assessee, challenging the *ex parte* order of the learned Commissioner of Income Tax (Appeals) ('ld.CIT(A) for short), National Faceless Appeal Centre ('NFAC' for short) passed u/s.250 of the Income Tax Act, 1961 ('the Act'), pertaining to the Assessment Year ('A.Y.' for short) 2016-17.

2. As there was no representation on behalf of the assessee, we hereby dispose of this appeal by hearing the learned Departmental Representative ('ld.DR' for short) and on perusal of the materials available on record.

3. The brief facts are that the assessee company had filed its return of income for the year under consideration declaring total income at Nil and the same was processed u/s.

143(1) of the Act. The assessee's case was selected for scrutiny under CASS and notice u/s. 143(2) and 142(1) of the Act were duly issued and served upon the assessee.

4. The ld. Assessing Officer ('A.O.' for short) observed that the assessee has declared interest income of Rs.23,088/- and license fee of Rs.81,79,437/- as income from other sources and had claimed business expenditure resulting in a loss of Rs.8,31,698/-. The ld. A.O. held that the license fee receipt ought to be taxed under the head 'income from house property' and the interest income as 'income from other sources' for the reason that the assessee has no business income or any business activity during the year under consideration. The ld. A.O. passed the assessment order dated 29.11.2018 u/s. 143(3) of the Act determining total income at Rs.93,35,603/- by making various additions/disallowances.

5. Aggrieved the assessee was in appeal before the ld. CIT(A) who vide order dated 08.03.2024 upheld the order of the ld.A.O. for the reason that inspite of several opportunity the assessee has failed to substantiate its claim and has been non compliant throughout the appellate proceedings.

6. The assessee is in appeal before us, challenging the impugned order of the ld. CIT(A).

7. We have heard ld. DR and perused the materials available on record. It is observed that the assessee has challenged the additions made by the ld. A.O. before the first appellate authority but has been non compliant throughout the appellate proceeding.

8. The learned Departmental Representative ('ld.DR' for short) vehemently opposed to setting aside the issue to the file of the ld. CIT(A) for the reason that the assessee was given several opportunity by the ld. CIT(A) which was not availed by the assessee.

9. On the above factual matrix of the case, we are of the considered view that the assessee may be given one more opportunity to present its case before the first appellate authority by adhering to the principles of natural justice. We, therefore, remand all these issues back to the file of the ld. CIT(A) for *de novo* adjudication on the merits of the case. The assessee is directed to comply with the proceedings without any undue delay on its side.

10. In the result, the appeal filed by the assessee is allowed for statistical purpose.

*Order pronounced in the open court on 30.07.2024*

Sd/-

(N. K. Billaiya)  
Accountant Member

Mumbai; Dated : 30.07.2024

Roshani, Sr. PS

**Copy of the Order forwarded to :**

1. The Appellant
2. The Respondent
3. CIT - concerned
4. DR, ITAT, Mumbai
5. Guard File

Sd/-

(Kavitha Rajagopal)  
Judicial Member

BY ORDER,

(Dy./Asstt. Registrar)  
ITAT, Mumbai