

IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH : COCHIN

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI AMARJIT SINGH, ACCOUNTANT MEMBER

I.T.A.No.871/COCH./2023
Assessment Year 2014-2015

The Chamber of Commerce 4/773F, Yesudas Road, Vyapara Bhavan, KUNNAMKULAM – 680 503 KERALA. PAN AABAT6466H	vs.	The Income Tax Officer (Exemptions), THRISSUR. KERALA.
(Appellant)		(Respondent)

For Assessee :	Ms. K. Parvathy Ammal, CA
For Revenue :	Smt. V. Swarnalatha, Sr. DR

Date of Hearing :	21.08.2024
Date of Pronouncement :	25.09.2024

ORDER

PER SATBEER SINGH GODARA, J.M. :

This assessee's appeal, for assessment year 2014-2015, arise against the CIT(A)-National Faceless Appeal Centre [in short the "NFAC"] Delhi's Din and Order No. ITBA/NFAC/S/250/2023-24/1057624238(1), dated 02.11.2023, in proceedings u/s.154 of the Income Tax Act, 1961 (in short "the Act").

Heard both the parties. Case file perused.

2. Learned counsel vehemently argued during the course of hearing that both the learned lower authorities have erred in law and on facts in finalizing his impugned sec.154 rectification dated 19.12.2019 *qua* the loss of Rs.48,12,549/- claimed in the return not allowed as application of income for the purpose of granting sec.11 exemption to the taxpayer, which in turn, has been wrongly confirmed in the CIT(A)'s lower appellate discussion. We make it clear first of all that the assessee had nowhere disputed the Assessing Officer's stand in principle that it's claim of application for sec.11 exemption had indeed included the loss figure of Rs.48,12,549/-.

3. Faced with this situation, learned counsel has raised the assessee's legal argument that once the Assessing Officer's corresponding sec.143(3) regular assessment dated 08.11.2016 stood revised as per the CIT(E)'s order dated 27.03.2019 passed u/sec.263 of the Act; the Assessing Officer had no jurisdiction to proceed with his sec.154 rectification mechanism. She quotes case law *Damodar Lal Badruka vs. ITO* [2015] 378 ITR 494 [T&AP] that necessary consequence which flows from the Revenue's direction is that the Assessing Officer's former round of

assessment stands merged therein and therefore, even sec.154 remedy is no more available to the Assessing Officer.

4. We have heard the submissions of both the parties. The assessee's instant legal arguments fails to evoke our concurrence in light of the fact that the learned CIT(E) sec.263 revision directions dated 27.03.2019 had only been raised this issue regarding the alleged double addition of Rs.13.50 lakhs. Meaning thereby, that the assessment findings of all other issues stood in tact which form subject matter of the impugned rectification.

4.1. Learned counsel at this stage, raised her second arguments that the Assessing Officer had issued sec.142(1) notice to the assessee whilst framing sec.143(3) read with sec.263 assessment dealing with loss issue and therefore, the same could hardly be treated as a rectifiable mistake.

5. We see no substance in the assessee's instant latter argument as well whilst Assessing Officer's impugned rectification has dealt with the issue of application of assessee's income for the purpose of granting sec.11 exemption which allegedly included the loss figure (supra). We thus see no reason

to disturb both the learned lower authorities findings under challenge. Ordered accordingly.

6. This assessee's appeal is dismissed in above terms.

Order pronounced in the open Court on 25.09.2024.

Sd/-
[AMARJIT SINGH]
ACCOUNTANT MEMBER

Sd/-
[SATBEER SINGH GODARA]
JUDICIAL MEMBER

Cochin, Dated 25th September, 2024
VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The CIT(A) concerned.
4.	The CIT concerned
5.	The D.R. ITAT, Cochin Bench, Cochin.
6.	Guard File.

//By Order//

//True copy//

Sr. Private Secretary, ITAT, Cochin Bench,
Cochin