

**IN THE INCOME TAX APPELLATE TRIBUNAL,
MUMBAI BENCH “K(SMC)”, MUMBAI**

**BEFORE SHRI AMARJIT SINGH, ACCOUNTANT MEMBER
AND SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER**

**ITA No.2350/Mum/2024
Assessment Year: 2021-22**

Pragna Kirti Kedia C 302 Waterford Building Above, Navnit Motors Juhu Lane, Andheri West, Mumbai- 400058. PAN: ADWPK 9701 F (Appellant)	Vs.	ACIT CC(1), Air India, Mumbai (Respondent)
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Present for:

Assessee by : Ms. Vinita Shah (Virtually appear)
Revenue by : Shri Rajneesh Yadav, Sr. DR

Date of Hearing : 12.09.2024
Date of Pronouncement : 25.10.2024

ORDER

PER AMARJIT SINGH, ACCOUNTANT MEMBER:

This appeal of the assessee for the assessment year 2012-13 is directed against the order dated 11.08.2023 passed by the ld. Commissioner of Income-tax (Appeal)-54, Mumbai. The assessee has raised the following grounds of appeal:

- “1. The learned CIT (A) has erred in law and in fact in not holding that the AO has erred in passing Assessment order u/s 143(3) of the Act which is bad in law, illegal and null and void.*
- 2. The learned CIT(A) has erred in law and in fact in not holding that the AO erred in passing the assessment order in gross violation of principles of natural justice.*
- 3. The learned CIT(A) has erred in law and in fact in confirming the disallowance of Interest claimed u/s. 57(iii) of the Act Rs. 31,50,000/-.*
- 4. The appellant craves leave of Your Honour to add, amend, modify, alter and / or delete any of the above grounds of appeal.”*

2. Fact in brief is that assessment u/s 143(3) of the Act was made on 30.12.2023. The assessing officer noticed that assessee has shown income from other sources amounting to Rs.9,76,195/- after claiming deduction u/s 57 of the Act of Rs. 31,50,000/-. The assessing officer has disallowed the deduction of Rs. 31,50,000/- claimed u/s 57 of the Act on the ground that assessee has failed to provide documentary evidences to show that assessee has actually incurred expenditure of Rs. 31,50,000/- for earning income from other sources amounting to Rs. 9,76,195/-.

3. The assessee filed appeal before the ld. CIT(A). The ld. CIT(A) has dismissed the appeal of the assessee for want of non-compliance.

4. Before us, the ld. Counsel submitted that assessee has not received the notice of hearing therefore no compliance could be made from the ld. CIT(A) and requested for providing more opportunities before the First Appellate Authority for deciding the case of the assessee on merit.

5. Heard both the sides and perused the material on record. During the course of assessment, the assessing officer has disallowed the claim of interest expenditure incurred for earning income from other sources as discussed above in this order. However, the ld. CIT(A) has dismissed the appeal of the assessee for want of non-compliance. After considering the submission of the ld. Counsel that no compliance could be made from the ld. CIT(A) because of not receiving the notice of hearing by the assessee, we consider it appropriate to restore this case to the file

of the Id. CIT(A) for deciding afresh on merit as contemplate u/s 250(6) of the Act after providing three more opportunities to the assessee. The assessee is directed to make due compliance before the Id. CIT(A) and also directed to update if any changes are made in the e-mail ID before the Income Tax Authorities immediately. Therefore, the appeal of the assessee is allowed for statistical purposes.

6. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 25.10.2024.

Sd/-
(SANDEEP SINGH KARHAIL)
JUDICIAL MEMBER

Sd/-
(AMARJIT SINGH)
ACCOUNTANT MEMBER

Mumbai, Dated: 25.10.2024
Biswajit, Sr. P.S.

Copy to:

1. The Appellant:
2. The Respondent:
3. The CIT,
4. The DR

//True Copy//

By Order

Assistant Registrar
ITAT, Mumbai Benches, Mumbai