

IN THE INCOME TAX APPELLATE TRIBUNAL

NAGPUR BENCH, NAGPUR

BEFORE SHRI V. DURGA RAO, JUDICIAL MEMBER

SMC MATTER

ITA no.106/Nag./2024

(Assessment Year : 2021-22)

Harshika Engineering Pvt. Ltd.
Nagpur Road, Chandrapur 442 401
PAN – AABCH2975F

..... Appellant

v/s

Asstt. Director of Income Tax
Central Processing Centre, Bengaluru

..... Respondent

Assessee by : None

Revenue by : Shri Abhay Y. Marathe

Date of Hearing – 04/12/2024

Date of Order – 20/12/2024

ORDER

The present appeal has been filed by the assessee challenging the impugned order dated 09/02/2024, passed by the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, [“learned CIT(A)”], for the assessment year 2021-22.

2. In its appeal, the assessee has raised following grounds:-

“1] Learned CIT(A) erred in not properly consider Appellant's submission (154 Application filed before A.O.) and without applying his mind he has passed the order.

2] Learned CIT(A) erred in not consider the appeal on merits on the ground that the issue cannot be adjudicated upon the present appeal.

3] Learned A.O. (CPC) erred in added the interest income of Rs.3,47,878/- and same is confirmed by the CIT(A) is bad in law.

4] Learned CIT(A) erred in rejecting/dismissed the Appellant's appeal on the ground that there is no mistake apparent from record at the stage of 154.

5] Appellant craves to urge additional grounds at the time of hearing, if necessary."

3. None appeared on behalf of the assessee.

4. I have gone through the assessment order as well as the order of the learned CIT(A). The order of the learned CIT(A) dealing with the issue is reproduced below:-

"4. CIT's decision:

All the grounds of appeal are clubbed together for the sake of convenience and disposed as under:

4.1 The appellant has filed the return of income for AY 2021-22 on 21.12.2021 declaring a total income of Rs.1,32,580/-. The CPC processed the return u/s 143(1) of the IT Act, 1961 on 27.10.2022 by adding the interest income of Rs. 3,47,878/-. Thereafter, the appellant filed a rectification application u/s 154 on 16.01.2023 before the CPC, which has been rejected by the CPC and passed the order on 16.01.2023 without assigning any reason. The appellant has challenged the order u/s 154 in the present appeal.

4.2 In this case, the CPC had added the interest income of Rs. 3,47,878/- during the year under consideration while processing the return u/s 143(1). The appellant could have filed an appeal against the intimation u/s 143(1) as per the provisions of the Act. However, it appears that the appellant has not filed an appeal against the intimation u/s 143(1). Thereafter, the appellant has filed an application u/s 154 before the CPC which has been rejected and hence the appellant has filed the present appeal against the order u/s 154. In this regard, it is stated that the original cause of action in the present case had arisen at the stage of the proceedings u/s 143(1) and not u/s 154. The appellant is trying to make a back door entry by filing an appeal against the order u/s 154, the original cause of action for which had arisen at an earlier point of time during the proceedings u/s 143(1). Therefore, as the original cause of action has arisen at the stage of 143(1), the issue cannot be adjudicated upon in the present appeal and further there is no mistake apparent from record at the stage of 154. Therefore, the grounds of appeal are dismissed."

5. After hearing the learned Departmental Representative and perusing the order of the authorities below, I am of the opinion that the issue raised by

the assessee with regard to interest income, cannot be decided under section 154 of the Act and the assessee ought to have been filed separate appeal against the assessment order passed under section 143(1) of the Act. Therefore, I do not find an cogent reason to disturb the order passed by the learned CIT(A) which is hereby upheld by dismissing the grounds raised by the assessee.

6. In the result, appeal filed by the assessee is dismissed.

Order pronounced in the open Court on 20/12/2024

Sd/-
V. DURGA RAO
JUDICIAL MEMBER

NAGPUR, DATED: 20/12/2024

Copy of the order forwarded to:

- (1) The Assessee;
- (2) The Revenue;
- (3) The PCIT / CIT (Judicial);
- (4) The DR, ITAT, Nagpur; and
- (5) Guard file.

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

Sr. Private Secretary
ITAT, Nagpur