

IN THE INCOME TAX APPELLATE TRIBUNAL

NAGPUR BENCH, NAGPUR

BEFORE SHRI V. DURGA RAO, JUDICIAL MEMBER

SMC MATTER

ITA no.173/Nag./2025

(Assessment Year : 2013-14)

Nest Hospitality

Plot no.I-33, Tatya Tope Nagar

Nagpur 440 015 PAN – AAHFN5680Q

..... Appellant

v/s

Income Tax Officer

Ward-1(2), Nagpur

..... Respondent

Assessee by : Shri Mahavir Atal

Revenue by : Shri Surjit Kumar Saha

Date of Hearing – 14/05/2025

Date of Order – 27/05/2025

ORDER

This appeal has been filed by the assessee is emanating from the impugned order dated 14/06/2024, passed by the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, [“learned CIT(A)”], for the assessment year 2013-14.

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

“1. Whether on the facts and circumstances of the case, the learned CIT(A) was justified in affirming the order of the AO by making addition under the head House Property when the appellant specifically explained that the said income was considered as business income.

2. Assessee craves leave to add or alter any other ground at the time of hearing.”

3. Facts in brief, as culled out from the material available on record that the assessee, for the year under consideration, has not filed any return of income. On a perusal of Form no.26AS, it was noticed that the assessee, during the year, received rental income amounting to ₹ 23,72,609, from Worleyparsons Sea India Pvt. Ltd. which was not offered to tax. Hence, notice under section 148 of the Income Tax Act, 1961 ("*the Act*") was issued on 16/03/2021, for filing the return of income. However, the assessee remained non-compliant. Subsequently, statutory notices were issued, but the assessee chose not to respond to such notices. In view of assessee's non-compliant attitude, the Assessing Officer assessed the assessee's income under the head "*Income From House Property*" for the year under consideration in the following manner:-

<i>"Returned Income</i>	<i>Nil (no return)</i>
<i>Rental Income</i>	<i>₹ 23,72,609</i>
<i>Less: Deduction u/s 24</i>	<i>₹ 7,11,783</i>
<i>Income from house property</i>	<i>₹ 16,60,826"</i>

4. I find that there was no representation before any of the authorities below. The assessee is a non-filer of return of income and no compliance whatsoever. The learned Counsel for the assessee, during the hearing, pleaded that he was an arguable strong case on merits. He is willing to go back to the Learned Jurisdictional Assessing Officer and agreed to furnish all the documents and evidences so desired by the learned Jurisdictional Assessing Officer, if this appeal is restored to the file of the learned Jurisdictional Assessing Officer. I find that the assessee is precluded due to some technical error in properly participating during the proceedings before

the authorities below. Hence, for the sake of natural justice and fair play, one more opportunity is hereby granted to the assessee to plead its case before the learned Jurisdictional Assessing Officer. Consequently, I set aside the impugned order passed by the learned CIT(A), and restore the entire matter to the file of the learned Jurisdictional Assessing Officer for de novo adjudication on merits in accordance with law after providing reasonable opportunity of being heard to the assessee.

5. In the result, assessee's appeal is allowed for statistical purposes.

Order pronounced in the open Court on 27/05/2025

NAGPUR, DATED: 27/05/2025

**Sd/-
V. DURGA RAO
JUDICIAL MEMBER**

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