Acknowledgement Number : 494639881250624

e-Proceedings Response Acknowledgement	
INCOME TAX DEPARTMENT	
PROCEEDING DETAILS	
PAN/TAN	ACQFS2044C
Name	SUMMIT SALES LLP
Financial Year	2019-20
Assessment Year	2020-21
Proceeding Name	First Appeal Proceedings
Notice/Communication Reference ID	100081143028
Notice Section	250
Description	[ITBA]Hearing Notice u/s 250of Income Tax Act 1961.
Notice Issue Date	21-Jun-2024
Due Date for Submission	25-Jun-2024
Communication Sent date	
Document Reference ID	ITBA/NFAC/F/APL_1/2024-25/1065919767(1)
RESPONSE SUBMITTED	
Remarks	In connection with the appeal, the attached submissions are made before YOUR HONOURS for kind consideration.
Hash * Value Of Remarks	763ba8dbdd880ca4e46025770adac2faac993844d3bf59b33ee42fdeab173bb0

Sl No	Attachment Name	Description	Size(bytes)	Hash * value of Attachment
1	0. Written Submissions - signed.pdf	Written Submission along with Annexures	240266	172f40fd6cdec6399d41b5108d2ae272ca75e622a2bb6833371db879d66042d1
2	Annexure 1 - ITR Ack and Form.pdf	Written Submission along with Annexures	717354	bcf0feaa0c4ad6ab32c1f976ee786dc275d19bcfe5e11d343bd4e39f9a705ccf
3	Annexure 2 - Intimation 143(1).pdf	Written Submission along with Annexures	442716	df1668f0c7b791957af0b71c9d32805a551eee6a5653319cabbb51f1376e8b87
4	Annexure 3 - Issue	Written Submission	174825	578bd05042714775

Sl No	Attachment Name	Description	Size(bytes)	Hash * value of Attachment
	Letter for Outstanding Demand.pdf	along with Annexures		70d3ecc7039e3c75 1a1c128eb0aae3ef 380e76b31ea03615
5	Annexure 4 - Rectification Order 154 21-10-2022.pdf	Written Submission along with Annexures	452623	40c7ddc25f24a715 a1f04ead83cbc2fc 7056607e2ab750e5 05a20f234debeb48
6	Annexure 5 - Petition to Jurisdictional AO.pdf	Written Submission along with Annexures	292834	e9c6d5db5554220b dc7b4fd1494972d0 e58e2f8e5acba37d3 e9356cf5ead741a
7	Annexure 6 - Rectification Order 154 11-01-2023.pdf	Written Submission along with Annexures	452670	85dfdb322df321779 c96028a29e38fd53b a61daf34bba9ec8ac a2647cef2adb3
8	Annexure 7 - Summit Sales LLP Financials.pdf	Written Submission along with Annexures	1012652	d6aed9e95c982d28 4bcb85bdca43d267 608bb2c5e07203bf cfb9b8b025a8927a
9	Annexure 8 - Vista Homes Financials.pdf	Written Submission along with Annexures	891324	7dd8e8bdfab46ce4 312ad77923051384 dc80cdb33cb62b5c af7dc4064b51832b
10	Annexure 9 - Relevant page for Proposed Adjustment.pdf	Written Submission along with Annexures	445902	a816d4deb85b2ab6 7edf14cdd471eec3 859d6d701589d259 5056302cb138e28c

This is a system generated acknowledgement and does not require signature

* Hash : This value will uniquely identify the uploaded files and remarks.

BEFORE COMMISSIONER OF INCOME TAX (APPEALS)
NATIONAL FACELESS APPEAL CENTRE (NFAC)

IN THE MATTER OF

SUMMIT SALES LLP

APPEAL NO. NFAC/2019-20/10205799

ASST. YEAR 2020-21

BEFORE COMMISIONER OF INCOME TAX (APPEALS)

NATIONAL FACELESS APPEAL CENTRE (NFAC)

Summit Sales LLP 5-4-187/3&4, Soham Mansion, M G Road, Ranigunj, Secunderabad - 500003, Telangana India		Centralized Processing Center Income Tax Department
Appellant	V/s.	Respondent

Appeal No: NFAC/2019-20/10205799

Asst. Year 2020-21

In connection with the above appeal the following submissions are made before YOUR HONOURS for kind consideration.

1. The issue involved under this appeal in brief, is as under:

   Income tax department has erred in not allowing the claim of exempt income u/s 10(2A) being the share of profit from partnership firm and thereby resulting in addition of Rs 1,52,07,446. This is a mistake apparent on record which is not rectified and therefore is bad in law.

2. Our submissions, YOUR HONOURS with respect non-allowance of claim of exempt income is as follows:

2.1. The appellant is a limited liability partnership firm. The appellant has filed its return of Income electronically for AY 2020-21 on 19/01/2021 admitting an income of Rs 64,82,740/-. Return of Income and the Acknowledgement in ITRV is attached as ***Annexure 1***.

2.2. The appellant is carrying on the business of Wholesale and Retail Trade. Also, the appellant is a partner in another partnership firm viz., M/s Vista Homes.

2.3. The return was processed u/s 143(1) on 24/12/2021 vide DIN CPC/2021/A5/194804173 assessing an income of Rs 2,16,90,186/- and determining a demand of Rs 68,57,640. Intimation copy is attached as ***Annexure 2***.

2.4. The appellant is in receipt of a letter dated 17/10/2022 indicating a demand outstanding of Rs 68,57,640/- for AY 2020-21. The said demand is on account of certain adjustments made by CPC u/s 143(1))(a).The appellant became aware of such intimation u/s 143(1)(a) only upon receipt of outstanding demand letter dated 17/10/2022 vide DIN ITBA/RCV/F/17/2022-23/1046333366(1). Copy of the letter is attached as ***Annexure 3***.

2.5. The difference between income returned and income assessed as per intimation u/s 143(1)(a) is Rs 1,52,07,446/-. This difference of Rs 1,52,07,446 is on account of non-allowance of appellant's claim of exempt income u/s 10(2A) being the share of profits from partnership firm namely M/s. Vista Homes. The relevant snapshot of the intimation is given below for your ready reference.

5	Income credited to Profit and Loss account (included in 1)which is exempt		
	(a) share of income from firm(s)	1,52,07,446	0
	(b) Share of income from AOP/ BOI	0	0
	(c) Any other exempt income. (specify nature and amount)	0	0
	(d) Total exempt income (5a+5b+5c)	1,52,07,446	0
6	Balance (1 - 2a - 2b - 3a -3b -3c -3d-3e-4a-4b-4c - 5d)	64,28,660	2,16,36,106
7	Expenses debited to profit and loss account considered under other heads of income/related to income chargeable u/s 115BBF/or u/s 115BBG		

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2.6. The appellant having identified the mistake apparent on record had filed a request for rectification on 20/10/2022 vide request no 737815090201022.

2.7. The rectification request was processed and an order u/s 154 was issued on 21/10/2022 within one day without rectifying the mistake apparent on record and the outstanding demand remained unchanged at Rs 68,57,640. The copy of the rectification order u/s 154 is attached as ***Annexure 4***.

2.8. The appellant aggrieved by the same approached the jurisdiction AO and filed a manual 154 rectification request on 21/10/2022 requesting to rectify the mistake apparent on record. Copy of Letter submitted is attached as ***Annexure 5***. The Jurisdiction AO verbally expressing his inability has stated that he has no rights of rectification and the appellant may file rectification request once again electronically.

2.9. The appellant accordingly filed a new rectification request for the third time on 11/01/2023 asking for re-processing the return. The same was re-processed on the same day and the order u/s 154 dated 11/01/2023 was issued without any rectification. The copy of rectification order u/s 154 is attached as ***Annexure 6***.

2.10. The rectification orders passed by the Central Processing Center have not provided any reason whatsoever as to why the amount of share of income from firm(s) claimed as exempt is not allowed.

2.11. In support of our claim as exempt income, the following documents are submitted for your kind consideration.

S.No	Description of the Document	Reason for Submission	Remarks	Annexure Number
1	Audited Financials of Summit Sales LLP	In support of the amount of profit received from M/s Vista Homes	The amount of profit received from M/s Vista Homes is mentioned and highlighted on page no .3 of the attached annexure.	***Annexure – 7***
2	Audited Financials of M/s Vista Homes	In support of the amount of profit distributed to Summit Sales LLP	The amount of profit distributed to Summit Sales LLP is mentioned and highlighted on page no. 2 and 3 of the attached annexure.	***Annexure – 8***

1.1. No intimation was received by the appellant for the proposed adjustment made as required by the First Proviso to Section 143(1)(a). Also, the intimation does not mention any reason why the exempt income is not allowed. There is gross violation of principles of natural justice.

1.2. It is also submitted that the since Income Tax Department has not provided us the intimation for proposed adjustment the intimation and the rectifications orders are *void-ab-initio*. The relevant page from the Income Tax portal after applying filter for AY 2020-21 is attached as ***Annexure 9***. It can be clearly seen that there is no such intimation for the proposed adjustment.

1.3. Further, by not providing us the opportunity of being heard and also by not giving any reasons for non-allowance of the claim for exempt income the income tax department has caused us gross injustice and is in violation of principles of natural justice.

Your HONOURS, it is pleaded to allow the appeal granting the relief prayed for.

For Summit Sales LLP

Authorized Signatory

(APPELLANT)

List of Annexures

Sl.no	Description	Annexure reference
1.	Income Tax Return and Acknowledgement	Annexure-1
2.	Intimation u/s 143(1) dated 24/12/2021	Annexure-2
3.	Issue Letter for Outstanding Demand dated 17/10/2022	Annexure-3
4.	First Rectification Order u/s 154 dated 21-10-2022	Annexure-4
5.	Rectification Petition u/s 154 submitted to Jurisdictional AO	Annexure-5
6.	Second Rectification Order u/s 154 dated 11-01-2023	Annexure-6
7.	Audited Financial Statements of Summit Sales LLP	Annexure-7
8.	Audited Financial Statements of M/s Vista Homes	Annexure-8
9.	Extract of relevant page for Proposed Adjustment on the Income Tax Portal	Annexure-9