

IN THE INCOME TAX APPELLATE TRIBUNAL
"C" Bench, Mumbai
Before Shri B.R. Baskaran (AM) & Shri Pawan Singh (JM)

I.T.A. No. 5634/Mum/2014
(Assessment Year 2010-11)

ITO-1(1)-2 Room No. 534/579 Aayakar Bhavan M.K. Road Mumbai-400 020.		M/s. Crystal Hospitality Services Pvt. Ltd. 6, Stadium House 81/83, Veer Nariman Road, Churchgate Mumbai-400 020.
(Appellant)		(Respondent)

PAN No. AABCC4312R

Assessee by	None
Department by	Ms. Bharti Singh
Date of Hearing	26.10.2016
Date of Pronouncement	26.10.2016

ORDER

Per B.R. Baskaran (AM) :-

The appeal filed by the Revenue is directed against the order dated 27.6.2014 passed by the learned CIT(A)-1, Mumbai and it relates to A.Y. 2010-11.

2. None appeared on behalf of the assessee even though notice was issued by registered post on more than one occasion. Hence, we proceed to dispose of the assessee ex-pare, without presence of the assessee.

3. We have heard learned Departmental Representative and perused the record. The Revenue is contesting relief granted by the learned CIT(A) in respect of addition of ₹ 50,00,000/- made by the Assessing Officer u/s. 41(1) of the Act on account of cessation of liability standing in the name of M/s Hotel Rugby Ltd.

4. Learned Departmental Representative submitted that the Books of account of the assessee showed that a sum of ₹ 50,00,000/- was payable to Hotel Rugby Ltd. The Assessing Officer called for the account copy of the assessee as appearing in the books of account of Hotel Rugby Ltd. and noticed that no such amount of ₹ 50,00,000/- was shown as receivable from assessee as on 31.3.2010. Accordingly, the Assessing Officer assessed an amount of ₹ 50,00,000/- as cessation of liability u/s. 41(1) of the Act. Learned Departmental Representative submitted that the learned CIT(A) has deleted the addition without confronting material to the Assessing Officer. She further submitted that the assessee has not furnished any reconciliation statement reconciling the difference between the assessee's book and books of other party.

5. Having heard the submission made by learned Departmental Representative, we are of the view that this issue requires fresh examination at the end of the Assessing Officer. Accordingly, we set aside the order passed by the learned CIT(A) on this issue and restore the same to the file of the Assessing Officer with the direction to examine the same afresh by considering all material that were already filed and that may also be filed before him.

6. In the result, appeal filed by the Revenue is allowed for statistical purposes.

Order has been pronounced in the Court on 26.10.2016

Sd/-
(PAWAN SINGH)
JUDICIAL MEMBER

Sd/-
(B.R.BASKARAN)
ACCOUNTANT MEMBER

Mumbai; Dated : 26/10/2016

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. The CIT(A)
4. CIT

*M/s. Crystal Hospitality
Services Pvt. Ltd.*

5. DR, ITAT, Mumbai
6. Guard File.

//True Copy//

PS

BY ORDER,

(Dy./Asstt. Registrar)
ITAT, Mumbai