

IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCH "A", HYDERABAD

BEFORE SMT. P. MADHAVI DEVI, JUDICIAL MEMBER
AND
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER

	ITA No. 503/Hyd/2018	
	Assessment Year: 2014-15	
Maalab Scientific Equipment Private Limited, Hyderabad. PAN: AAGCM 7276 B	Vs.	DCIT, Circle-16(2), Income Tax Towers, Hyderabad.
(Appellant)		(Respondent)
Assessee by:	Sri A.V. Raghuram	
Revenue by:	Smt. Komali Krishna, DR	
Date of hearing:	25/11/2019	
Date of pronouncement:	27/01/2020	

ORDER

PER A. MOHAN ALANKAMONY, AM:

This appeal is filed by the assessee against the order of the Ld. CIT(A)-4, Hyderabad in appeal No. 0359/2016-17/DCIT, Cir.16(2)/CIT(A)-4/Hyd/17-18, dated 07/12/2017 passed U/s. 143(3) r.w.s 250(6) of the Act for the A.Y. 2014-15.

2. The assessee has raised the following grounds in his appeal:

1. *The order of the Ld. CIT(A) is against law and facts of the case and ought not to have dismissed the appeal of the appellant having regard to the facts of the case.*
2. *The Ld. CIT(A) ought not to have dismissed the appeal for non-prosecution of the appeal as the appearance could not be caused on account of factors which are beyond the control of the appellant.*

3. *The Ld. CIT(A) erred in confirming the prior period expenses amount of Rs. 30,322/-.*
4. *The Ld. CIT(A) ought to have allowed the prior period expenses amount of Rs. 30,322 as the expenditure incurred wholly and exclusively for the purpose of business.*
5. *The Ld. CIT(A) erred in confirming ROC charges amount of Rs. 1,54,250/- for expansion of capital base of the appellant company.*
6. *The Ld. CIT(A) ought to have allowed ROC charges amount of Rs. 1,54,250/- for expansion of capital base of the appellant company.*
7. *The Ld. CIT(A) erred in confirming interest charges amount of Rs. 45,14,308/-.*

3. At the outset, the Ld. AR submitted before us that the Ld. CIT (A) has passed ex-parte order without providing proper opportunity to the assessee of being heard. It was therefore pleaded that the matter may be remitted back to the file of the Ld CIT (A) in order to provide one more opportunity to the assessee to pursue the appeal. Ld. DR, on the other hand, vehemently opposed to the submissions of the Ld. AR and argued that sufficient opportunities had been provided to the assessee however, on the given dates of hearing, neither the assessee nor his Representative appeared before the Ld. CIT (A). It was further submitted that in the situation, the Ld. CIT (A) had no other option but to pass order on merits based on the materials available on record. Hence, it was pleaded that the order passed by the Ld. CIT(A) does not call for any interference and appeal of the assessee may be dismissed.

4. We have heard the rival submissions and carefully perused the materials on record. On examining the facts of the case, we find merit in the submissions of the Ld. DR. The Ld. CIT (A) had posted the case

on three occasions i.e., 07/09/2017, 23/11/2017 and finally on 05/12/2017 and there was no proper representation on behalf of the assessee before the Ld. CIT(A). However, on the date of final hearing on 05/12/2017, though the Ld. AR appeared before the Ld. CIT(A), he did not file the details as required by the Ld. Revenue Authorities. Therefore, the Ld. CIT (A) was left with no other option except to adjudicate the appeal based on the materials available on record. In this situation, we do not find much strength in the arguments advanced by the ld. AR. However, considering the prayer of the Ld. AR and the issues involved in the appeal, in the interest of justice, we hereby remit the matter back to the file of Ld. CIT (A) in order to consider the appeal afresh thereby providing one more opportunity to the assessee of being heard. At the same breath, we also hereby caution the assessee to promptly co-operate before the Ld. CIT (A) in the proceedings failing which the Ld. CIT (A) shall be at liberty to pass appropriate order in accordance with law and merits based on the materials on the record. It is ordered accordingly.

5. In the result, appeal filed by the assessee is allowed for statistical purposes as indicated hereinabove.

Pronounced in the open Court on 27th January, 2020.

Sd/-
(P. MADHAVI DEVI)
(JUDICIAL MEMBER)

Sd/-
(A. MOHAN ALANKAMONY)
ACCOUNTANT MEMBER

Hyderabad, Dated: 27th January, 2020.

OKK

Copy to:-

- 1) Maalab Scientific Equipment Private Limited C/o. P.R. Datla & Co., Chartered Accountants, 6-3-788/A/9, First Floor, Durga Nagar, Ameerpet, Hyderabad – 016.
- 2) Dy. Commissioner of Income Tax, Circle-16(2), Income Tax Towers, Hyderabad.
- 3) The CIT(A)-4, Hyderabad
- 4) The Pr. CIT-4, Hyderabad
- 5) The DR, ITAT, Hyderabad
- 6) Guard File