

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH: 'SMC' NEW DELHI**

**BEFORE SHRI H. S. SIDHU, JUDICIAL MEMBER**

I.T.A. Nos. 3266 & 3267/Del/2019  
Assessment Years: 2013-14 & 2015-16

M/s Bharat Marketing &  
Advertising Company Pvt. Ltd.,  
DG-1/39C, Vikas Puri  
New Delhi  
(PAN:AAACB0049H)  
**(ASSESSEE)**

vs.

ITO, Ward-4(4),  
New Delhi

**(RESPONDENT)**

**Assessee by:** Sh. Suresh Kumar Gupta, Director of Company

**Revenue by:** Ms. Parul Singh, Sr. DR

**ORDER**

These two appeals are filed by the assessee against the impugned orders dated 10.01.2019 & 25.01.2019 respectively passed by the Ld. CIT(A)-2, New Delhi relating to Assessment Years 2013-14 & 2015-16 on the following grounds:-

**ITA No. 3266/Del/2019**

1. *That the Ld. CIT(A) has erred on facts, in the circumstances of the case and in law in dismissing the Appeal of the Appellant ex-parte due to non-pursuing. The decision is illegal and unwarranted and must be quashed since the application for adjournment was not accepted and told to join on the next appearance for assessment year 2011-12.*
2. *That the Ld. CIT(A) has erred in law and on the fact of passing/framing the ex- parte order on her own motion without issuing of no new notice for appearance after not accepting the above adjournment letter is erroneous, illegal and unwarranted and bad in law and must be quashed with specific directions for deleting the additions.*
3. *That the Ld. CIT(A) has erred in law and on facts and circumstances of the case in upholding the addition of Rs. 4,12,059/- being interest paid on unsecured loans taken for meeting business expenses and*

*repayment of business creditors under Section 36(1)(iii) by the Ld. A.O. is erroneous, illegal and unwarranted and must be quashed with specific directions for deleting the additions made.*

4. *That the Ld. CIT(A) has erred in law and on facts and circumstances of the case in upholding the making of notional disallowance of Rs. 2,33,222/- under Section 14A read with Rule 8D on account of investments in long term investments without earning any tax free income or incurring any expenditure on same by the A.O. is erroneous, illegal and unwarranted and must be quashed with specific directions for deleting the additions made."*

**ITA No. 3267/Del/2019**

1. *That the Ld. CIT(A) has erred on facts, in the circumstances of the case and in law in dismissing the Appeal of the Appellant ex-parte due to non-pursuing. The decision is illegal and unwarranted and must be quashed since the application for adjournment was not accepted and told to join on the next appearance for assessment year 2011-12.*
  2. *That the Ld. CIT(A) has erred in law and on the fact of passing/framing the ex- parte order on her own motion without issuing of no new notice for appearance after not accepting the above adjournment letter is erroneous, illegal and unwarranted and bad in law and must be quashed with specific directions for deleting the additions.*
  3. *That the Ld. CIT(A) has erred in law and on facts and circumstances of the case in upholding the addition of Rs. 2,47,763/- being interest paid on unsecured loans taken for meeting business expenses and repayment of business creditors under Section 36(1)(iii) by the Ld. A.O. is erroneous, illegal and unwarranted and must be quashed with specific directions for deleting the additions made.*
2. At the time of hearing, learned counsel for the assessee stated that the learned First Appellate Authority has decided the issues in dispute against the assessee *ex parte* without providing sufficient opportunity of hearing to the assessee and he requested that the issues in dispute may be set aside to the learned First Appellate Authority to decide the same afresh, as per law, after giving opportunity of being heard to the assessee.

3. Learned DR for the Revenue did not raise any objection on the request of the learned counsel for the assessee.

4. After hearing both the parties and perusing the orders passed by the Revenue authorities especially the impugned orders, I am of the considered view that learned First Appellate Authority has decided the issues in dispute against the assessee by passing a non speaking and *ex parte* order and dismissed the appeals of the assessee in limini which is contrary to law and facts on the file and liable to be cancelled. Therefore, in the interest of justice, I am cancelling the impugned orders and setting aside the issues in dispute to the learned First Appellate Authority to decide the same afresh, as per law, after giving opportunity of being heard to the assessee.

5. Keeping in view the non cooperation of the assessee before the Revenue authorities, I am directing the assessee through his counsel to appear before the learned First Appellate Authority on 23.04.2020 at 10:00 am. There is no need to issue notice to the assessee for 23.04.2020 because this order has been pronounced in the Open Court.

6. In the result, appeals filed by the assessee are allowed for statistical purposes.

Order pronounced on 12/02/2020.

**Sd/-**

**[H.S. SIDHU]  
JUDICIAL MEMBER**

Date: 12/02/2020  
SH

**Copy forwarded to: -**

1. Appellant -
2. Respondent -
3. CIT
4. CIT (A)
5. DR, ITAT

TRUE COPY

By Order,

Assistant Registrar, ITAT, Delhi Benches