

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

**BEFORE SHRI R. K. PANDA, ACCOUNTANT MEMBER  
AND  
MS SUCHITRA KAMBLE, JUDICIAL MEMBER**

**ITA No. 6395 /DEL/2017 ( A.Y 2014-15)**

**(THROUGH VIDEO CONFERENCING)**

Sarvmangal Holy Store Pvt. Ltd. House No. 163, 2 <sup>nd</sup> Floor, Pritampura Village, New Delhi-110034 PAN: AALCS4174R <b>(APPELLANT)</b>	Vs	ITO Ward-22(3) New Delhi          <b>(RESPONDENT)</b>
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<b>Appellant by</b>	<b>Sh. Shafiq Khan, Adv</b>
<b>Respondent by</b>	<b>Sh. Saras Kumar, Sr. DR</b>

<b>Date of Hearing</b>	<b>26.08.2020</b>
<b>Date of Pronouncement</b>	<b>27.08.2020</b>

**ORDER**

**PER SUCHITRA KAMBLE, JM**

This appeal is filed by the assessee against the order dated 25/08/2017 passed by CIT(A)-28, New Delhi for Assessment Year 2014-15.

2. The grounds of appeal are as under:-

1. *“That the Ld. CIT (Appeal)-28, New Delhi has failed to appraise/evaluate the facts and circumstances of the case as he completely misconstrued in upholding the fanciful and arbitrary additions made by the Ld. Assessing Officer, Ward 22(3), New Delhi of Rs . 85, 54, 472/-by treating /assuming bogus commissions paid to different online vendors and Rs.1, 08, 39000/- by suspecting the genuineness of purchase and thus making ad-hoc addition 025% of total purchases.*

2. *That the illegal and arbitrary additions of Rs.85,54,472/-by treating/assuming bogus commissions paid to different online vendors and Rs. 1,08,39000/- by suspecting the genuineness of purchase and thus making ad-hoc addition 025% of total purchases are illegal and unsustainable ,as the appellant company has all the supporting documents/evidence to establish their claim which were provided both at the time of assessment proceedings and appellate proceedings and which were unjustifiably denied/not accredited by both the Assessing Officer and Appellate Authority.*
3. *That the Ld. Assessing Officer ,Ward 28(3), New did not provide/confer fair and adequate opportunity to represent the case and adopted biased and arbitrary approach in making whimsical and illegal additions of Rs.1, 93, 93, 472/-to which the Ld. CIT(Appeal)-28, New Delhi upheld and approved without acting judiciously and realistically.*
4. *That the exorbitant additions has caused undue financial burden on the assessee despite the facts that had satisfactorily placed all the evidence and record before the concerned Assessing Officer and appellate Ld. Commissioner of Income Tax(Appeal)28, New Delhi.*
5. *That any other ground which may be raised with the permission of this Hon'ble Court.”*

3. The assessee company is engaged in the business of Trading Homes and Kitchen Items as Wholesalers & Retailers. The assessee filed return of income on 30/11/2014 declaring an income of Rs. 3,36,020/-. During the assessment proceedings, the Assessing Officer observed that the assessee paid commission of Rs. 85,54,447/- and claimed as expenditure in profit and loss. The Assessing Officer asked the assessee to file the details along with justification and genuineness of expenses. However, the assessee did not file any details regarding commission paid. Consequently, Assessing Officer disallowed the commission expenses as bogus expenses. Similarly, in respect of purchases, Assessing Officer asked the assessee to produce the purchase bills along with books of accounts. Again the assessee failed to produce the

purchase bill in support of purchases made by him during the year under consideration. The Assessing Officer disallowed 25% of total purchases amounting to Rs.1,08,39,000/- and added back to the income of the assessee.

4. Being aggrieved by the assessment order, the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. The Ld. AR submitted that due to unavoidable circumstances, the assessee could not file details before the Assessing Officer and the Assessing Officer also has not given sufficient time to the assessee to submit the details. The CIT(A) though observed that the part details were filed but failed to look into the details and without discussing the details simplicitor dismissed the appeal of the assessee. Therefore, the Ld. AR prayed that the matter may be remanded back to the file of the Assessing Officer for verification of all the evidences/documents in support of the assessee's claim.

6. The Ld. DR relied upon the assessment order and the order of the CIT(A).

7. We have heard both the parties and perused the material available on record. From the perusal of the assessment order and the order of the CIT(A) the detailed discussion on merit has not been done by either of the Revenue Authorities. Despite mentioning that details were filed before the CIT(A), the CIT(A) has not looked into those details as well as has not called for any remand report regarding these details from the Assessing Officer. Therefore, it will be appropriate to remand back this matter to the file of the Assessing Officer for proper verification and adjudication of the documents/evidences and thereafter arrive at a proper conclusion. Needless to say, the assessee be given opportunity of hearing by following principles of natural justice. The appeal of the assessee is allowed for statistical purpose.

8. In result, the appeal of the assessee is allowed for statistical purpose.

**Order pronounced in the Open Court on this 27<sup>th</sup> Day of AUGUST, 2020.**

Sd/-

**(R. K. PANDA)**  
**ACCOUNTANT MEMBER**

Sd/-

**(SUCHITRA KAMBLE)**  
**JUDICIAL MEMBER**

Dated: 27/08/2020  
R. Naheed

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR  
ITAT NEW DELHI