

**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. 4088/DEL/2019 ( A.Y 2012-13)**

**(THROUGH VIDEO CONFERENCING)**

Globus Infocom Ltd. C ½, Safdarjang Development Area, New Delhi - 110016 AABCG3985C <b>(APPELLANT)</b>	Vs	DCIT, Circle-10(1), Central Revenue Building, I.P. Estate, New Delhi. <b>(RESPONDENT)</b>
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<b>Appellant by</b>	<b>None</b>
<b>Respondent by</b>	<b>Sh. Ajay Kumar, Sr. DR</b>

<b>Date of Hearing</b>	<b>19.11.2020</b>
<b>Date of Pronouncement</b>	<b>25.11.2020</b>

**ORDER**

**PER SUCHITRA KAMBLE, JM**

This appeal is filed by the assessee against the order dated 01/04/2015 passed by CIT(A)-18, New Delhi for Assessment Year 2012-13.

2. The grounds of appeal are as under:-

*“1. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and facts and circumstances of the case in confirming the disallowance of Rs. 3,62,37,000/- on account of written off of advance to staff which was paid in preceding assessment years for the purpose of business.*

2. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and facts and circumstances of the case in confirming the addition of Rs. 4363132/- on account of 50% of business promotion expenses under section 40A(3) of the Income Tax Act, 1961.

3. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and facts and circumstances of the case in confirming the disallowance of Rs. 7,07,796/- out of business promotion expenses under section 40A(3) of the Income Tax Act, 1961.

4. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and facts and circumstances of the case in confirming the disallowance of Rs. 2,27,930/- on account of 50% out of Deepawali expenses on estimation basis.

5. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and facts and circumstances of the case in confirming the disallowance of Rs. 7,08,191/- on account of 50% out of staff training and welfare expenses on estimation basis.

6. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and facts and circumstances of the case in confirming the disallowance of Rs. 5,78,631/- on account of 50% out of freight and cartage expenses on estimation basis.

7. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and

*facts and circumstances of the case in confirming the disallowance of Rs. 2924492/- on account of 20% of vehicle running and maintenance expenses on estimation basis.*

*8. That Ld. CIT(A) without appreciating the correct facts of the case and without giving proper opportunity of being heard is not justified in law and facts and circumstances of the case in confirming the disallowance of Rs. 19,59,215/- out of interest paid on borrowed funds for the advance paid to staff.*

*9. Appellant has every right to make, add, delete, modify or alter any grounds of the appeal at the time of hearing.”*

3. The assessee is engaged in the business of manufacturing and trading of audio, video products. The assessee filed return of income declaring total loss of Rs.(-)14,80,77,072/- on 30.09.2012. The Assessing Officer passed assessment order dated 27.02.2015 under section 143(3) of the Income Tax Act, 1961 thereby assessing the income of the assessee at Rs.(-) 10,03,70,690/-.

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. None appeared at the time of hearing hence we are proceeding on the basis of the records available before us.

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

7. We have heard Ld. DR and perused the material available on record. It is pertinent to note that the CIT(A) has not given any categorical finding on merit of the case and dismissed the appeal on the ground of non-prosecution of

appeal. Before the CIT(A) none appeared on behalf of the assessee. From the perusal of the order of the CIT(A), it can be seen that the CIT(A) has not given any categorical finding on merit of the case. Therefore, it will be appropriate to give the opportunity of hearing to the assessee before the CIT(A). Hence, we are remanding back the entire issue to the file of the CIT(A) to be decided on merit. Needless to say, the assessee be given opportunity of hearing by following principles of natural justice. We further direct the assessee to co-operate the revenue authorities for just and proper disposal by remaining present on the hearing dates and submit the relevant documents, otherwise, the revenue is at liberty to dismiss the appeal of the assessee ex-parte on merit. The appeal of the assessee is partly allowed for statistical purpose.

8. In result, the appeal filed by the assessee is partly allowed for statistical purpose.

**Order pronounced in the Open Court on this 25<sup>th</sup> Day of November, 2020.**

Sd/-

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

Sd/-

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

Dated: 25/11/2020

Copy forwarded to:

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

ASSISTANT REGISTRAR  
ITAT NEW DELHI

