

IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCH "A", HYDERABAD
(Through Virtual Hearing)

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

ITA No. 1482/Hyd/2019		
A.Y. 2016-17		
M/s. Amaravara Indigital Media Services Private Limited, Hyderabad. PAN: AAJCA 8508 M	VS.	Deputy Commissioner of Income Tax, Circle-1(1), Hyderabad.
(Appellant)		(Respondent)
Assessee by:	Shri K.A. Sai Prasad	
Revenue by:	Smt. Nivedita Biswas, DR	
Date of hearing:	18/03/2021	
Date of pronouncement:	07/04/2021	

ORDER

This appeal is filed by the assessee against the order of the Ld. CIT(A)-1, Hyderabad in appeal No.10211/2018-19/DCIT-1(1)/CIT(A)-1/Hyd/2019-20, dated 17/07/2019 passed U/s.143(3) r.w.s 250(6) of the Act for the A.Y.: 2016-17.

2. The assessee has raised four grounds in its appeal and they are extracted herein below for reference:-

- "1. *The Assessing Officer ought to have appreciated the fact that the equity shares were allotted at premium of Rs. 12,10,75,000/- to a reputed group like Hinduja who were investing for a controlling stake of 76% in the appellant company.*

2. *The Assessing Officer ought to have appreciated the facts and the value of slump purchases by the appellant as on the date of valuation to test the DCF valuation.*
3. *The Assessing Officer is incorrect in changing the valuation method from DCF to Book Value method and ought to have valued the appellant in DCF method only.*
4. *The appellant craves leave to add, amend or alter any of the above grounds of appeal at the time of hearing of the appeal.”*

3. At the outset, the Ld. AR submitted before us stating 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 of being heard. 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 its Representative appeared before the Ld. CIT (A). Therefore the Ld. CIT (A) had no other option but to pass ex-parte order 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.

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 several occasions. However, none appeared on behalf of the assessee before the CIT(A) on the dates of hearing. Therefore, the Ld. CIT (A) was

left with no other option except to adjudicate the appeal ex-parte. 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 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 on merits by 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 the 07th April, 2021.

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

Sd/-
(A. MOHAN ALANKAMONY)
ACCOUNTANT MEMBER

Hyderabad, Dated: 07th April, 2021

OKK

Copy to:-

- 1) Amaravara Indigital Media Services Private Limited C/o. Ch. Parthasarathy & Co., 1-1-298/2/B/3, 1st Floor, Ashok Nagar, Hyderabad – 500 020.
- 2) Deputy Commissioner of Income Tax, Circle-1(1), IT Towers, AC Guards, Masab Tank, Hyderabad – 500 004.

- 3) The Commissioner of Income Tax (Appeals)-1, Hyderabad.
- 4) The Principal Commissioner of Income Tax-1, Hyderabad.
- 5) The DR, ITAT, Hyderabad
- 6) Guard File