

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH : SMC-1 : NEW DELHI
(Through Virtual Hearing)

BEFORE SHRI R.K. PANDA, ACCOUNTANT MEMBER

ITA No.2892/Del/2018
Assessment Year: 2005-06

Reed Engineering Industries Ltd., Vs ITO,
GD-27, Pitampura, Ward-21(2),
New Delhi - 110034. New Delhi.

PAN: AADCR1253J

(Appellant)

(Respondent)

Assessee by	:	None
Revenue by	:	Shri M. Barnwal, Sr. DR
Date of Hearing	:	14.07.2021
Date of Pronouncement	:	14.07.2021

ORDER

This appeal filed by the assessee is directed against the *ex parte* order dated 26th March, 2018 of the CIT(A)-35, New Delhi relating to assessment years 2005-06.

2. None appeared on behalf of the assessee despite issue of notice. Since the Id.CIT(A) has passed an *ex parte* order, therefore, considering the totality of the facts of the case, this appeal was taken up for adjudication after hearing the Id. DR.

3. Facts of the case, in brief, are that the assessee is an individual and had filed his return of income on 31st October, 2005 declaring total income of Rs.65,812/-. The AO completed the assessment u/s 147/144 determining the total income of the assessee at Rs.14,25,937/-. In appeal, the Id.CIT(A) confirmed the addition made by the AO. Subsequently, the AO initiated penalty proceedings u/s 271(1)(c) of the IT Act, 1961 and levied penalty of Rs.4,97,705/-. The assessee filed an appeal before the CIT(A). However, due to persistent non-compliance to the statutory notices issued by him, the Id.CIT(A) in his *ex parte* order, sustained the penalty levied by the AO.

4. Aggrieved with such order of the Id.CIT(A), the assessee is in appeal before me.

5. I have heard the Id. DR and perused the record. It is an admitted fact that due to persistent non-compliance to the statutory notices, the Id.CIT(A) was constrained to pass the *ex parte* order sustaining the penalty levied by the AO. Considering the totality of the facts of the case and noting that the assessee in its grounds of appeal has mentioned that due opportunity of hearing was not provided to the assessee, I, in the interest of justice, deem it proper to restore the issue to the file of the CIT(A) with a direction to grant one final opportunity to the assessee to substantiate its case and decide the issue as per fact and law. The assessee is also hereby directed to appear before the CIT(A) and substantiate its case, failing which, the Id.CIT(A) is at liberty to pass appropriate order as per law. I hold and

direct accordingly. The grounds raised by the assessee are accordingly allowed for statistical purposes.

6. In the result, the appeal filed by the assessee is allowed for statistical purposes.

The decision was pronounced in the open court at the time of hearing itself, i.e., on 14.07.2021.

Sd/-
(R.K. PANDA)
ACCOUNTANT MEMBER

Dated: 14th July, 2021

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

Asstt. Registrar, ITAT, New Delhi