

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

BEFORE SHRI R.K. PANDA, ACCOUNTANT MEMBER

ITA No.1760/De1/2020
Assessment Year: 2016-17

Sri Ganraj Buildcon Private Ltd., H-255, Phase-I, Ashok Vihar, New Delhi.	Vs.	ACIT (OSD), Ward-24(2), New Delhi.
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PAN: AAVCS3068C

(Appellant)

(Respondent)

Assessee by	:	None
Revenue by	:	Shri R.K. Gupta, Sr.DR
Date of Hearing	:	04.08.2021
Date of Pronouncement	:	04.08.2021

ORDER

This appeal by the assessee is directed against the ex parte order dated 18th February, 2020 of the CIT(A)-8, New Delhi, relating to Assessment Year 2016-17.

2. Notice issued through Registry was returned unserved by the Postal Authorities with the remark "left without address." Therefore, this appeal is being decided on the basis of material available on record and after hearing the ld. DR.

3. Although a number of grounds of appeal have been raised by the assessee, these all relate to the ex parte order of the CIT(A) in confirming the addition of Rs.26,22,300/- made by the AO in the order passed u/s 143(3) of the IT Act, 1961.

4. Facts of the case, in brief, are that the assessee is a private limited company and is engaged in the business of real-estate developers, builders, engineers, surveyors, contractors, etc. It filed its return of income on 28th March, 2017 declaring the total income at Rs.32,840/-. The case of assessee was selected for limited scrutiny under CASS for the following reasons:-

õ(i) õHigh Cash in hand shown in balance sheet as compared to preceding year and return of income filed after 07.11.2016. Whether cash in hand shown in return of income is correctö and

(ii) õLarge investment in property as compared to total income and whether investment and income relating to properties are duly disclosed".

5. During the assessment proceedings, the AO noted that the assessee did not file any reply with regard to high cash-in-hand and details of investment in property. He, therefore, issued notice u/s 142(1) asking the assessee to file the details of cash-in-hand and the investments. Rejecting the various explanations given by the assessee, the AO made addition of Rs.26,22,300/- to the total income of the assessee as follows:-

(a) Rs.2,40,000/- on account of cash received from different person;

(b) Rs.8,75,000/- on account of sale of scrap u/s 68 of the IT Act.

(c) Rs.15,07,300/- on account of cash deposits in banks u/s 68 of the IT Act.

6. Since the assessee did not appear before the CIT(A) despite number of opportunities granted, the ld.CIT(A), in the ex parte order passed by him, dismissed the appeal of the assessee.

7. Aggrieved with such order of the CIT(A), the assessee is in appeal before the Tribunal.

8. I have heard the ld. DR and perused the record. I find, the AO in the instant case, made addition of Rs.26,22,300/- to the total income of the assessee on account of cash received from different persons, sale of scrap and on account of cash deposit in bank account. Since the assessee did not appear before the CIT(A) despite number of opportunities granted, the CIT(A) in the ex parte order passed by him, dismissed the appeal filed by the assessee. Considering the totality of the facts of the case and in the interest of justice, I deem it proper to restore the issue to the file of the CIT(A) with a direction to grant one more 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 without seeking any adjournment under any pretext, failing which the ld.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.

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

Pronounced in the open court at the time of hearing itself, i.e., on 04.08.2021.

Sd/-

(R.K. PANDA)
ACCOUNTANT MEMBER

Dated: 4th August, 2021.

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Copy forwarded to

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

Asstt. Registrar, ITAT, New Delhi