

IN THE INCOME TAX APPELLATE TRIBUNAL
“B” BENCH : BANGALORE

BEFORE SHRI N.V. VASUDEVAN, VICE PRESIDENT
AND SHRI CHANDRA POOJARI, ACCOUNTANT MEMBER

ITA No.451/Bang/2018
Assessment year : 2013-14

Search Engine Consultants, A-6, Ground Floor, Madhuban Apts., Audugodi, Hosur Main Road, Bengaluru – 560 030. PAN: ABDFS 8146F	Vs.	The Income Tax Officer, Ward 7(2)(4), Bengaluru.
APPELLANT		RESPONDENT

Appellant by	:	Shri K. Mallaha Rao, Advocate
Respondent by	:	Shri Priyadarshi Mishra, Addl. CIT(DR)(ITAT), Bengaluru.

Date of hearing	:	16.09.2021
Date of Pronouncement	:	28.09.2021

ORDER

Per Chandra Poojari, Accountant Member

This appeal by the assessee is directed against the order of CIT(Appeals)-7, Bengaluru dated 23.1.2018 for the assessment year 2013-14.

2. The main grievance of the assessee is confirmation of the addition of Rs.41,43,775 as unexplained credit by the CIT(Appeals) without admitting additional evidence filed by the assessee holding that there is no reasonable cause for not submitting the same before the AO.

3. There is an introduction of Rs.41,43,775 to the capital account of assessee. The assessee had not furnished the source for the same before

the AO. Before the CIT(Appeals), the assessee filed the following additional documents as additional evidence:-

SL.NO.	DESCRIPTION	PAGE Nos.
1.	The copy of Statement of Total Income for returns under the Income Tax for the Assessment Year 2013-14.	00-01
2.	The copy of the Profit and Loss Account pertaining to the year ended 31.03.2013.	00-02
3.	The copy of the balance sheet pertaining to the Assessment year 2013-14.	03-06
4.	The copy of the Ledger Account of Rajaram A. Purnesh & Sudhanva K.S. with respect to M/s. Synaps Bio Tech Pvt Ltd Company for the assessment year 2012-13.	00-07
5.	The copy of the Ledger Account of Rajaram A.P. & Sudhanva K.S. with respect to Out Source Solutions Contact Centre Pvt Ltd Company pertaining to Assessment year 2012-13.	00-08
6.	The copy of the partners current account ledger entries from 01.04.2012 to 31.03.2013, depicting the transactions with respect to Mr. Rajaram A. Purnesh	09-13
7.	The copy of the partners current account ledger entries from 01.04.2012 to 31.03.2013, depicting the transactions with respect to Mr. Sudhanva K.S.	14-18

4. The assessee submitted before the CIT(Appeals) that due to health issues, the case was not properly represented before the AO. However, the CIT(Appeals) observed that there was no reasonable cause for not furnishing the additional evidence before the AO. He accordingly rejected the additional evidence and decided the issue on merits against the assessee. Against this, the assessee is in appeal before us.

5. Before us, the Id. AR submitted that the AO as well as the CIT(Appeals) have not given proper opportunity of hearing to the assessee. More so, the case was only fixed for hearing on 16.1.02018 and the assessee produced these documents which were dismissed without

admitting the same and the reasons for not admitting the same was not made known to the assessee. Had the assessee got the opportunity, the assessee would have explained the reasons for not filing the documents before the AO. He submitted that an opportunity may be given to the assessee to represent either before the AO or CIT(Appeals) so as to render substantial justice.

6. The Id. DR had no serious objections and submitted that the issue may be remitted to CIT(Appeals) for fresh consideration.

7. Admittedly, the assessee filed the above additional evidence before the CIT(Appeals) and explained that due to health issues, the case was not represented before the AO. The CIT(Appeals) has given only one opportunity on 16.1.2018 and not given opportunity of hearing about rejection of additional evidence and decided the appeal against the assessee. In our opinion, one more opportunity is to be provided to the assessee before the AO. Accordingly, we set aside the orders of lower authorities and remit the appeal to the file of AO to decide the issues afresh, after proper opportunity of being heard to the assessee. The assessee is at liberty to file necessary evidence in support of its case before the AO.

8. In the result, the assessee's appeal is allowed for statistical purposes.

Pronounced in the open court on this 28th day of September, 2021.

Sd/-
(N V VASUDEVAN)
VICE PRESIDENT

Sd/-
(CHANDRA POOJARI)
ACCOUNTANT MEMBER

Bangalore,
Dated, the 28th September, 2021.

/Desai S Murthy/

Copy to:

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

By order

Assistant Registrar
ITAT, Bangalore.