

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH “SMC”: NEW DELHI**

BEFORE SHRI KUL BHARAT, JUDICIAL MEMBER

ITA No. 7439/DEL/2019
[Assessment Year: 2013-14

Surender Jain, A-24, Street No. 20, 1 st Floor, Madhu Vihar, I.P. Extension, New Delhi-110092 PAN- AEBPJ6586P	<u>Vs</u>	ACIT, Circle-59(1), New Delhi.
APPELLANT		RESPONDENT
Appellant by	None	
Respondent by	Sh. Sanjiv Mahajan, Sr. DR	
Date of hearing	28.02.2022	
Date of pronouncement	15.03.2022	

ORDER

PER KUL BHARAT, JM:

This appeal, by the assessee, is directed against the order of learned CIT(Appeals)-19, New Delhi dated 31.07.2019, pertaining to the assessment year 2013-14.

2. The assessee has raised following ground of appeal:

“1. That in the facts and circumstances of the present case and in law, the Ld. CIT(A) erred in confirming the order of the Ld. Assessing Officer who added back a sum of Rs. 4,00,000/- under section 68 of the IT Act, 1961 by holding that the loans availed by the Appellant from various parties are unexplained cash credits.

2. That the appellant craves leave to add, alter, amend and/ or withdraw any ground or grounds of appeal either before or during the course of hearing of the appeal.”

3. The facts giving rise to the present appeal are that the assessee filed its return of income declaring income at Rs. 15,41,040/- on 21.08.2013, which was processed u/s 143(1) of the Income-tax Act, 1961, hereinafter referred to as the “Act”. Subsequently, the case was selected for scrutiny under CASS. A notice u/s 143(2) of the Act was issued and served upon the assessee. In response thereto the authorized representative of the assessee attended the proceedings and filed details as called for. The Assessing Officer noticed that assessee had claimed expenses relating to telephone, depreciation on car, insurance on car, conveyance & travelling expenses, vehicle repair & maintenance totaling to Rs. 5,23,301/-. The Assessing Officer made ad hoc disallowance of Rs. 1,04,660/- treating the same being personal in nature. Further, the Assessing Officer noticed that the assessee had taken unsecured loans amounting to Rs. 3,18,48,437/-, out of which loan of Rs. 3,00,000/- and Rs. 1,00,000/- was received from Smt. Chameli Devi and Shri Rachit Jain respectively. A notice was issued to the assessee to prove genuineness of loan. In response thereto, the assessee filed his response, however, the Assessing

Officer did not accept the explanation offered by the assessee. The Assessing Officer found that these persons had no creditworthiness. Therefore, he made addition of Rs. 4,00,000/- in this regard. Hence the Assessing Officer assessed the income at Rs. 20,45,700/- as against the returned income of Rs. 15,41,040/-. Aggrieved by this the assessee preferred appeal before the learned CIT(Appeals), who partly allowed the appeal of the assessee. Thereby, he deleted the ad hoc disallowance of Rs. 104,660/- and confirmed the rest of addition made on account of unexplained loan. Against the confirmation of addition of Rs. 4,00,000/- the assessee has filed the present appeal.

4. No one appeared on behalf of the assessee at the hearing. It is seen from the record that despite various opportunities given, the assessee has not attended the hearing, nor any authorized representative in this regard. Notice of hearing sent to the assessee through speed post with acknowledgement due has been returned unserved with the postal remark "left". Any change in address, has also not been furnished by the assessee. Under these facts, the appeal is taken up for hearing in the absence of the assessee.

5. I have heard the learned Sr. DR, have gone through the material available on record and the orders of the authorities below. In my considered view the learned CIT(Appeals) has passed a well reasoned order in confirming the addition of Rs. 4,00,000/- u/s 68 of the Act. The assessee has not brought any material to rebut the

same. Therefore, I see no reason to interfere with the order of the learned CIT(Appeals) in this regard. Accordingly, order of the learned CIT(A) on the issue in question is affirmed.

6. In the result, assessee's appeal is dismissed.

Sd/-
(KUL BHARAT)
JUDICIAL MEMBER

Dated: 15/03/2022.

MP

Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT, NEW DELHI