

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'SMC' NEW DLEHI**

BEFORE SHRI R.K. PANDA, ACCOUNTANT MEMBER

**ITA No. 920/Del/2020
Assessment Year: 2010-11**

KKM Enterprises Pvt. Ltd., 1416-A/13, Govind Puri, New Delhi	vs.	Income-tax Officer, Ward 14(3), New Delhi.
PAN : AACCK5607N (Appellant)		(Respondent)

Appellant by : None
Respondent by: Sh. Om Prakash, Sr. DR

Date of hearing: 31.03.2022
Date of order : 31.03.2022

ORDER

This appeal filed by the assessee is directed against the order dated 30.08.2019 of the learned CIT(A)-5, New Delhi relating to assessment year 2010-11.

2. The assessee in the grounds of appeal has challenged the addition of Rs.20,00,000/- sustained by Id. CIT(A) on account of unexplained investment u/s. 68 and Rs. 50,000/- on account of commission paid at the rate of 2.5% on accommodation entries of Rs.20,00,000/-obtained by the assessee.

3. None appeared on behalf of the assessee at the time of hearing of appeal. The notice sent by the Registry through RPAD was returned back with the postal remark that the firm is not traced out. The assessee has also not taken any steps to intimate change of address, if any.

Therefore, I deem it proper to decide this appeal on the basis of material available on record and after hearing the Id. DR.

4. The facts of the case, in brief, are that the assessee filed its return of income on 29.09.2010 declaring income of Rs.7,84,530/-. Subsequently, on the basis of information received by Assessing Officer that the assessee has obtained accommodation entries of Rs.20,00,000/- from one of the entry providers, namely Euphoria Pvt. Ltd., the case of the assessee was reopened after recording the reasons and notice u/s. 148 was issued, in compliance to which no return was filed. Various notices and show cause notices were issued to the assessee but almost all the notices were returned back with the postal remark "no such firm". Finding no response/compliance on behalf of the assessee, the Assessing Officer completed the assessment u/s. 144/147 of the Income-tax Act, determining total income at Rs.28,34,530/- by making addition of Rs. 20,00,000/- u/s. 68 and Rs. 50,000/- being 2.5% commission paid for obtaining accommodation entries of Rs.20 lacs. In appeal filed by assessee also, a number of opportunities were granted to the assessee, but the assessee failed to respond. Therefore, Id. CIT(A) dismissed the appeal by ex parte order for want of prosecution and any compliance or written submissions from the side of assessee. Aggrieved by such order of Id. CIT(A), the assessee is in appeal before the Tribunal.

5. I have heard the Id. DR and perused the record. It is an admitted fact that the Id. CIT(A) dismissed the appeal filed by the assessee for want of prosecution. However, he has not decided the appeal on merits as per provisions of section 250(6), according to which the order of CIT(A) shall be in

writing and shall state the points for determination, the decision thereon and the reason for the decision. However, Id. CIT(A) has not done so. Therefore, considering the totality of facts of the case and in the interest of justice, I deem it proper to restore the issue to the file of Id. CIT(A) with the direction to grant one more final opportunity to the assessee to substantiate its case and to decide the appeal on the basis of facts and law by passing a speaking order. The assessee is also directed to cooperate with the Id. CIT(A) in hearing of appeal without seeking unnecessary adjournments on one pretext or the other, failing which the CIT(A) shall be at liberty to pass an order as per law. 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.

Order pronounced in the open court on 31/03/2022.

Sd/-

(R.K. PANDA)
Accountant Member

Dated: 31/03/2022
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