

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI "G" BENCH: NEW DELHI**

**BEFORE SHRI ANIL CHATURVEDI, ACCOUNTANT MEMBER &
SHRI KUL BHARAT, JUDICIAL MEMBER**

**ITA No.1899/Del/2019
[Assessment Year : 2013-14]**

Saurabh Goel, 259, Niyader Ganj, Dadri, Gautam Budh Nagar, Ghaziabad. PAN-AFNPG4553J	vs	DCIT, Circle-3, Noida.
APPELLANT		RESPONDENT
Appellant by	None	
Respondent by	Shri Umesh Takyar, Sr.DR	
Date of Hearing	21.04.2022	
Date of Pronouncement	21.04.2022	

ORDER

PER KUL BHARAT, JM :

The present appeal filed by the assessee for the assessment year 2013-14 is directed against the order of Ld. CIT(A)-I, Noida dated 30.08.2018. The assessee has raised following grounds of appeal:-

1. *“Under the facts and circumstances of the case, addition of Rs.21,01,376/- on account of notional interest income made by the ld. A.O. and confirmed by ld. first appellate authority is grossly unwarranted, erroneous, without proper verification of facts, devoid of any merits and invalid.*
2. *Under the facts and circumstances of the case, the addition of Rs.21,01,376/- on account of notional interest income made by the ld. A.O. and confirmed by ld. first appellate authority is grossly injudicious, invalid and not maintainable at law.*
3. *Without prejudice to the above and under the facts and circumstances of the case, the amount of addition of Rs.21,01,376/- on account of notional interest income @ 12% of loans and advances, made by the*

ld. A.O. suffers from calculation mistake, which is grossly erroneous and unwarranted.

4. *Under the facts and circumstances of the case, the Ld. first appellate authority has grossly erred at law in dismissing the appeal of the assessee ex-parte, which is grossly injudicious, against the principles of nature justice and bad at law.*
5. *All the aforesaid grounds of appeal are independent grounds and are without prejudice to each other. The appellant prays for leave to add, modify, alter, withdraw all or any of the grounds of appeal.”*

2. At the time of hearing, no one appeared on behalf of the assessee. Therefore, the appeal is taken up for hearing in the absence of the assessee.

FACTS OF THE CASE

3. Facts giving rise to the present appeal are that in this case, the assessee filed return of income declaring total income of Rs.10,59,670/- on 30.09.2013. The case was selected for scrutiny through CASS and notice u/s 143(2) of the Income Tax Act, 1961 (“the Act”) was issued to the assessee. In response to the statutory notices, the Ld. Authorized representative of the assessee attended the proceedings and filed the details as called for by the assessing authority. During the course of assessment proceedings, it was observed by the Assessing Officer (“AO”) that the assessee had taken unsecured loans of Rs.1,29,24,299/- from twenty four (24) persons and paid interest of Rs.22,97,206/- which was duly debited in Profit & Loss Account of the assessee and he had declared loans and advances of Rs.1,75,11,469/- given to nine (09) persons but no interest received or receivable was shown. Therefore, the AO made addition of Rs.21,01,376/- being the interest on the loans and advances given by the assessee. Thus, the AO assessed the income at Rs.31,61,050/- against the returned income of Rs.10,59,670/-.

4. Aggrieved against this, the assessee preferred appeal before Ld.CIT(A), who after considering the submissions, dismissed the appeal.

5. Aggrieved against the order of Ld.CIT(A), the assessee preferred appeal before the Tribunal.

6. On the contrary, Ld. Sr. DR pointed out that the impugned order was passed *ex-parte* to the assessee. However, he relied upon the assessment order.

7. We have heard contention of the Ld. Sr. DR and perused the material available on record and gone through the orders of the authorities below. It is seen that the impugned order was passed *ex-parte* to the assessee, without adverting to the merits of the case. Therefore, we deem it proper and in the interest of principle of natural justice, to set aside this matter to the file of Ld.CIT(A) to decide the issue afresh after giving adequate opportunity of being heard to the assessee. Grounds raised by the assessee are thus, allowed for statistical purposes.

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

Order pronounced in the open Court on 21st April, 2022.

Sd/-

(ANIL CHATURVEDI)
ACCOUNTANT MEMBER

Sd/-

(KUL BHARAT)
JUDICIAL MEMBER

** Amit Kumar **

Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT, NEW DELHI