

**IN THE INCOME TAX APPELLATE TRIBUNAL  
"SMC" BENCH, MUMBAI**

**BEFORE SHRI VIKAS AWASTHY, HON'BLE JUDICIAL MEMBER AND  
SHRI S. RIFAUR RAHMAN, HON'BLE ACCOUNTANT MEMBER**

**ITA NO. 2003/MUM/2021 (A.Y: 2016-17)**

M/s. Scorodite Stainless India Pvt. Ltd., C/o. D.C. Botha & Co. LLP (CA) (Formerly known as D.C. Bothra & Co.) 297, Tardeo Road, Wile Mansion 1 <sup>st</sup> Floor, Opp. Bank of India Nana Chowk, Mumbai  <b>PAN: AABCS8987Q</b>	v.	ACIT – Circle – 5(3)(1) 5 <sup>th</sup> Floor, Aayakar Bhavan M.K. Road, Mumbai - 400020
<b>(Appellant)</b>		<b>(Respondent)</b>

<b>Assessee by</b>	<b>:</b>	<b>None</b>
<b>Department by</b>	<b>:</b>	<b>Shri Suresh Pariasamy</b>
<b>Date of Hearing</b>	<b>:</b>	<b>11.05.2022</b>
<b>Date of Pronouncement</b>	<b>:</b>	<b>20.05.2022</b>

**ORDER**

**PER S. RIFAUR RAHMAN (AM)**

1. This appeal is filed by the assessee against order of Learned Commissioner of Income Tax, National Faceless Appeal Centre, Delhi [hereinafter in short "Ld.CIT(A)"] dated 20.10.2021 for the A.Y. 2016-17.
2. Assessee has raised following grounds in its appeal: -

"1. That on facts and circumstances of the case and in law the Ld. CIT (Appeals) has erred in dismissing the appeal in an ex-parte order without giving proper and reasonable opportunity of being heard to the assessee appellant.

2. That without properly appreciating the facts of the case the Ld. A.O. and also Ld. CIT (Appeals) both have grossly erred in making & confirming the 10% adhoc and estimated disallowance of Rs.10,52,957/- out of some of the legitimate Business Expenses incurred wholly and exclusively for business purposes of the appellant. Being alleged disallowance made wrong on facts and bad in law therefore same may kindly be deleted.

3. That impugned expenses disallowance made by Ld. A.O. at Rs.10,52,957/- wrongly stating that no documentary evidences in support of the same were furnished despite having the same on assessment record and that to without pointing out any specific defect or discrepancy in any of them and confirmed by Ld. CIT(Appeals) in summary manner being wrong on facts and bad in law therefore same may kindly be deleted.

4. That the Ld. A.O. and also Ld. CIT(Appeals) both have erred in not appreciating the facts that disallowed business expenses were incurred on account of legitimate business need, completely verifiable and supported with third party evidences hence impugned disallowance made being wrong on facts and bad in law same may kindly be deleted.

5. That appellant craves the leave to amend, alter, substitute and or to raise new or additional grounds of appeal at the time of hearing."

**3.** In spite of issue of notice none appeared on behalf of the assessee nor any adjournment was sought. Therefore, we proceed to dispose of this appeal on hearing Ld. DR on merits.

**4.** Heard Ld. DR, perused the orders of the authorities below. On a perusal of the Ld.CIT(A) order, we find that even though the Ld.CIT(A) provided opportunity on multiple occasions assessee could not appear

before the Ld.CIT(A). Considering the totality of facts and circumstances of the case and keeping in view the adhoc disallowance of 10% on the total expenditure made by the Assessing Officer, in the interest of justice we are of the opinion that assessee should be given one more opportunity of being heard. Thus, this appeal is restored to the file of the Ld.CIT(A) for denovo adjudication in accordance with law. Assessee is directed to appear before the Ld.CIT(A) and shall cooperate with the appellate proceedings without taking unnecessary adjournments. Thus, this appeal is restored to the file of the Ld.CIT(A) accordingly.

**5.** In the result, appeal of the assessee is allowed for statistical purpose.

Order pronounced in the open court on 20.05.2022

Sd/-  
**(VIKAS AWASTHY)**  
**JUDICIAL MEMBER**  
Mumbai / Dated 20.05.2022  
Giridhar, Sr.PS

Sd/-  
**(S. RIFAUH RAHMAN)**  
**ACCOUNTANT MEMBER**

**Copy of the Order forwarded to:**

1. The Appellant
2. The Respondent.
3. The CIT(A), Mumbai.
4. CIT
5. DR, ITAT, Mumbai
6. Guard file.

//True Copy//

BY ORDER

(Asstt. Registrar)  
**ITAT, Mum**