

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "SMC" NEW DELHI**

BEFORE SHRI CHALLA NAGENDRA PRASAD, JUDICIAL MEMBER

आ.अ.सं./I.T.A No.5911/Del/2019

निर्धारणवर्ष/Assessment Year: 2010-11

Mascot Securities Ltd. 564, A-1, P.No. 2/59, AF/F Bhim Gali Vishwas Nagar, Shahdra, New Delhi.	बनाम Vs.	ITO Ward 16(3), New Delhi.
PAN No. AAECM5306N		
अपीलार्थी Appellant		प्रत्यर्थी/Respondent

निर्धारितकीओरसे /Assessee by	None
राजस्वकीओरसे /Revenue by	Shri Om Prakash, Sr. DR

सुनवाईकीतारीख/ Date of hearing:	19.05.2022
उद्घोषणाकीतारीख/Pronouncement on	17.06.2022

आदेश /O R D E R

This appeal is filed by the assessee against the order of the Ld. Commissioner of Income Tax (Appeals)-6, Delhi dated 07.05.2019 for the AY 2010-11 in sustaining the disallowance of expenses of Rs.3,82,278/-.

2. In spite of issue of several notices to the assessee on various dates from 21.12.2020 to 19.05.2022, none appeared on behalf of the assessee, nor any adjournment was sought. It is noticed from the record that when the notices were issued through speed post with acknowledgement due fixing the date of hearings on 24.08.2021 and 21.02.2022, none appeared on behalf of the assessee nor any adjournment was sought even though the notices were served on the assessee.

3. In view of the above, this appeal is disposed of on hearing the Ld. DR. The Ld. DR submits that the assessment of the assessee for the AY 2010-11 was reopened by issue of notice u/s 148 of the Act as the assessee did not file his return of income though assessee has taxable income. The Ld. DR submits that the assessee did not file return even in response to notice u/s 148 of the Act. However, the assessee filed return on 17.06.2017 declaring income of Rs.1,82,802/- after issuing several notices u/s 142(1) of the Act. The Ld. DR submits that the AO required the assessee to furnish various details in respect of the interest income which was not shown in the return. However, there was no compliance by the assessee. The Ld. DR submits that AO rejected the books of account as the assessee could not furnish its audited P&L account, balance sheet as the assessee failed to file the same along with return of income on or before 30.09.2010. The Ld. DR submits that the P&L account and the balance sheet signed by the auditor as well as the director was dated 03.09.2012 and whereas the assessee was supposed to maintain the books of account as per section 44AD of the Act and the same was required to file along with the return of income on or before 30.09.2010. Therefore, the AO disbelieved the P&L account and balance sheet which was prepared much later and he was of the opinion that the assessee has not maintained any books of account. Therefore, the AO disallowed administrative and selling expenses of Rs.3,83,278/- which was debited to P&L account as the assessee failed to produce books of

account, bills and vouchers to prove that the expenses were incurred by the assessee. In the absence of the details and evidences furnished and also since the assessee did not file return of income for the AY 2010-11 the claim of the assessee for these expenses in its P&L account was disallowed by the AO which was confirmed by the Ld. CIT(A). The ld. DR submits that the order of the Ld. CIT(A) be sustained.

4. I have heard the Ld. DR, perused the orders of the authorities below. The AO disallowed administrative and selling expenses of Rs.3,83,278/- debited by the assessee to its P&L account in the absence of production of books of account, bills and vouchers establishing incurring of these expenses by the assessee and the same was sustained by the Ld. CIT(A).

5. Before me the assessee could not substantiate its claim nor the findings of the AO or the Ld. CIT(A) were controverted. In the circumstances, I see no reason to interfere with the findings of the authorities below. Accordingly, the disallowance made by the AO is sustained. Grounds raised by the assessee are rejected.

6. In the result, the appeal of the assessee is dismissed.

Order pronounced in the open court on 17/06/2022

Sd/-
(C.N. PRASAD)
JUDICIAL MEMBER

Dated: 17.06.2022

*Kavita Arora, Sr. P.S.

Copy of order sent to- Assessee/AO/Pr. CIT/ CIT (A)/ ITAT (DR)/Guard
file of ITAT.

By order

Assistant Registrar, ITAT: Delhi Benches-Delhi