

**IN THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD “SMC-1” BENCH, AHMEDABAD**

**BEFORE SMT. ANNAPURNA GUPTA, ACCOUNTANT MEMBER AND
Ms. SUCHITRA KAMBLE, JUDICIAL MEMBER**

**ITA No.2296/Ahd/2018
Assessment Year: 2014-15**

Bhagwandas Detaram Raimalani,
M/s. Bhagvandas Detaram,
Sabuwali Gali,
Behind Limbda,
Manekchowk,
Ahmedabad – 380 001.
[PAN – ABDPR 4891 A]
(Appellant)

vs. Income Tax Officer,
Ward – 1(3)(1), Ahmedabad.

(Respondent)

Appellant by : None
Respondent by : Shri Shramdeep Sinha, Sr. DR

Date of hearing : 15.07.2022
Date of pronouncement : 27.07.2022

ORDER

PER SUCHITRA KAMBLE, JUDICIAL MEMBER :

This appeal is filed by assessee against the order dated 15.11.2017 passed by the CIT(A)-7, Ahmedabad for the Assessment Year 2014-15.

2. The assessee has raised the following grounds of appeal :-

- “1 The learned CIT(A) erred in law and on facts in passing the order without hearing on merits, such addition is requested to be deleted.
2. The learned CIT(A) erred in law and on facts in confirming addition of Rs.28,65,935/- made on account of understating the cost of project, such addition is requested to be deleted.”

3. The assessee is the proprietor of M/s Bhagwandas Detaram mainly carrying out the activities of wholesale trading of gold and jewellery. The assessee firm E-filed its return of income on 29.11.2014 declaring total income at Rs.5,30,849/- The

Assessing Officer observed that the assessee has made payments to persons under Section 40A(2)(b) of the Income Tax Act, 1961 under the head 'salary'. The assessee filed copy of VAT return as well as Profit & Loss account relating to salary expenses claimed and copy of income tax returns of the two parties. The Assessing Officer made addition of Rs.6,60,000/- towards expenditure, addition of Rs.35,045/- as GP addition on excess purchases claimed by the assessee Rs.19,34,175/- as unexplained expenditure and Rs.29,736/- in respect of non-production of proof of LIC payment.

4. Being aggrieved by the assessment order, the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. At the time of hearing, none appeared on behalf of the assessee and there was no new address given by the assessee. Notice was issued and duly served. Therefore, we are proceeding on the basis of records and the submissions made before the CIT(A) by the assessee.

6. The Ld. DR relied upon the Assessment Order and the order of the CIT(A).

7. We have heard the Ld. DR and perused all the relevant material available on record. There is a delay of 256 days for which the assessee has filed affidavit explaining the delay thereby stating that the CIT(A) has passed the ex-parte order as the assessee could not attend the proceedings due to his illness and family dispute. Thus, the delay is condoned as the assessee has explained the delay in filing the present appeal.

8. Now, coming to the order of the CIT(A), it is seen that the CIT(A) has simplicitor dismissed the appeal of the assessee for non-appearance and confirmed the addition made by the Assessing Officer. In the interest of justice, it will be appropriate to remand back the issues contested by the assessee to the file of the CIT(A) for proper adjudication after giving opportunity of hearing. Needless to say the assessee be given opportunity of hearing.

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

Order pronounced in the open Court on this 27th day of July, 2022.

Sd/-
(ANNAPURNA GUPTA)
Accountant Member

Sd/-
(SUCHITRA KAMBLE)
Judicial Member

Ahmedabad, the 27th day of July, 2022

PBN/*

Copies to: (1) *The appellant*
(2) *The respondent*
(3) *CIT*
(4) *CIT(A)*
(5) *Departmental Representative*
(6) *Guard File*

By order

*Assistant Registrar
Income Tax Appellate Tribunal
Ahmedabad benches, Ahmedabad*