

THE INCOME TAX APPELLATE TRIBUNAL
"SMC" Bench, Mumbai
Shri B.R. Baskaran (AM)

I.T.A. No. 1484/Mum/2022 (A.Y. 2008-09)

Ambitious Plastomac Company Limited 405, Royal Square, Nr. JBK Arcade, Science City Road, Sola, Ahmedabad Gujarat-380 060. PAN : AAACA3237A	Vs.	DCIT, Central Circle-39 Mumbai
(Appellant)		(Respondent)

Assessee by	None
Department by	Shri Vivek Upadhyay
Date of Hearing	18.08.2022
Date of Pronouncement	18.08.2022

ORDER

The assessee has filed this appeal challenging the order dated 22.3.2022 passed by learned CIT(A)-54, Mumbai and it relates to A.Y. 2008-09. The assessee is aggrieved by the decision of learned CIT(A) in partially confirming the addition to the extent of Rs.2,39,553/-.

2. None appeared on behalf of the assessee even though the notice of hearing was sent by registered post on the last occasion. Hence, I proceed to dispose of the appeal ex-parte, without presence of the assessee.

3. I heard learned DR and perused the record. The assessee is engaged in the business of manufacturing baby care products. The operations of the assessee were closed down from year 1999-2000. According to the assessee, it was facing many litigations. The assessee did not file return of income for the year under consideration. The AO took up the case for scrutiny. During the course of assessment proceedings also, the assessee did not furnish any information before the AO nor did it file return of income. Hence the Assessing

Officer proceeded to complete the assessment to the best of his judgement under section 144 of the Act. The AO determined the total income of the assessee at Rs. 10 lakhs on estimated basis on the basis available record.

4. The assessee challenged the assessment order by filing appeal before learned CIT(A). Before learned CIT(A) the assessee furnished copies of financial statements. Hence the first appellate authority called for a remand report from the AO, but the AO did not furnish the report. Hence the Ld CIT(A) proceeded to examine the financial statements of the assessee. The Ld CIT(A) noticed that the assessee has shown commission income of Rs.1,46,500/- and claimed expenses under various heads aggregating to Rs.10,34,431/-. The Learned CIT(A) examined various expenses and took the view that the sum of Rs.1,91,113/- has not been properly explained by the assessee and accordingly held that the same is liable for disallowance. Since the Assessing Officer has estimated the income at Rs.10 lakhs, the learned CIT(A) confirmed the addition to the tune of Rs.1,91,113/- and deleted the balance addition of Rs. 8,08,887/-. Aggrieved, the assessee has filed this appeal. I noticed earlier that the assessee has mentioned the amount of disallowance as Rs.2,39,553/- in the grounds of appeal, while the Ld CIT(A) has confirmed the addition to the extent of Rs.1,91,113/-. This difference was not explained anywhere by the assessee.

5. I notice that the grievance of the assessee is that the above said sum of Rs.1,91,113/- is also required to be allowed. I notice that the Ld CIT(A) has disallowed this amount on the reasoning that the assessee has not substantiate the same. Under these set of facts, I am of the view that the assessee may be provided with an opportunity to furnish the details of these expenses before the AO and substantiate the same. Accordingly, I set aside the order passed by Ld CIT(A) on the above said addition of Rs.1,91,113/- and restore the same to the file of the AO for examining the claim of the assessee by duly considering the information and explanations that may be furnished

by the assessee. After providing adequate opportunity of being heard to the assessee, the AO may take appropriate decision in accordance with law.

6. In the result, the appeal filed by the assessee is treated as allowed for statistical purposes.

Order pronounced in the open court on 18.08.2022.

Sd/-
(B.R. BASKARAN)
ACCOUNTANT MEMBER

Mumbai; Dated : 18/08/2022

Copy of the Order forwarded to :

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

//True Copy//

BY ORDER,

(Assistant Registrar)
ITAT, Mumbai

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