

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
DELHI BENCH: 'SMC' NEW DELHI**

**SHRI SAKTIJIT DEY, JUDICIAL MEMBER**

ITA No.2834/Del/2019  
Assessment Year: 2005-06

Vintage Decors Ltd., 2937, Chuna Mandi, Pahar Ganj, New Delhi-55	<b>Vs.</b>	ITO, Ward-26(3), New Delhi.
<b>PAN :AABCY8637L</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Appellant by	None
Respondent by	Shri Om Parkash, Sr. DR

Date of hearing	29.08.2022
Date of pronouncement	24.11.2022

**ORDER**

This is an appeal by the assessee against the order dated 26.02.2015 of learned Commissioner of Income-Tax (Appeals)-9, New Delhi confirming the penalty imposed under Section 271(1)(c) of the Income-Tax Act,1961 for the assessment year 2005-06.

2. When the appeal was called for hearing, none appeared on behalf of the assessee to represent the case. Even, there is no application by the assessee seeking adjournment.

3. Perusal of record reveals, though, multiple opportunities were given to the assessee earlier, however, on none of the occasions, the assessee did appear. It is further evident, notice of hearing repeatedly issued to the assessee have returned back unserved with the postal remarks 'left', though, notices were issued in the address provided in the appeal memo. These facts reveal complete lack of interest of assessee in pursuing the present appeal. Since sufficient opportunities have been given to assessee, which he has failed to avail, I proceed to dispose of the appeal ex parte qua the assessee after hearing the learned Departmental Representative.

4. Briefly, the facts are, the assessee is a corporate entity. For the assessment year under dispute, assessee filed its return of income on 18.10.2005 declaring income of Rs.1,25,188.

5. Subsequently, the assessee received information indicating that share application money of Rs.5,00,000 received during the year from Suma Finance & Investment Ltd. is in the nature of accommodation entry. Based on such information, the assessing officer reopened the assessment under Section 147 of the Act.

6. In course of assessment proceedings, the assessing officer called upon the assessee to explain the source and genuineness of the share application money received of Rs.5,00,000.

7. To prove the genuineness of the share application money, assessee furnished certain documentary evidences. However, the assessing officer remained unconvinced.

8. Ultimately, the assessing officer treated the share application money as unexplained and added back to the income of assessee by treating it as income from undisclosed sources. The addition so made was confirmed by learned Commissioner (Appeals). Based on such addition, the assessing officer initiated proceedings for imposition of penalty under Section 271(1)(c) of the Act and ultimately passed an order imposing penalty of Rs.1,82,963 alleging furnishing of inaccurate particulars of income. Penalty so imposed was also confirmed by learned Commissioner (Appeals).

8. I have considered submissions of learned Departmental Representative and perused the material available on record.

9. On a reading of the orders of the departmental authorities in respect of quantum as well as penalty proceedings, it is evident that at

no stage, assessee was able to furnish any cogent evidence to prove the genuineness of the share application money. Even, in the present proceedings, the assessee has neither appeared nor furnished any documentary evidences to controvert the factual finding of the departmental authorities given in quantum as well as penalty proceedings.

10. In view of the aforesaid, I uphold the decision of learned Commissioner (Appeals) in confirming the penalty imposed under Section 271(1)(c) of the Act.

11. In the result, the appeal is dismissed.

***Order pronounced in the open court on 24<sup>th</sup> November, 2022.***

***Sd/-***  
**(SAKTIJIT DEY)**  
**JUDICIAL MEMBER**

Dated: 24<sup>th</sup> November, 2022.  
Mohan Lal

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi

<b>Sl. No.</b>	<b>Particulars</b>	<b>Date</b>
1.	Date of dictation (Order drafted through Dragon software):	21.11.2022
2.	Date on which the draft of order is placed before the Dictating Member:	22.11.2022
3.	Date on which the draft of order is placed before the other Member:	-
4.	Date on which the approved draft of order comes to the Sr. PS/PS:	23.11.2022
5.	Date of which the fair order is placed before the Dictating Member for pronouncement:	23.11.2022
6.	Date on which the final order received after having been signed/pronounced by the Members:	24.11.2022
7.	Date on which the final order is uploaded on the website of ITAT:	24.11.2022
8.	Date on which the file goes to the Bench Clerk	24.11.2022
9.	Date on which files goes to the Head Clerk:	
10.	Date on which file goes to the Assistant Registrar for signature on the order:	
11.	Date of dispatch of order:	