

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“SMC” “C”BENCH: BANGALORE**

**BEFORE SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

ITA No.568/Bang/2023
AssessmentYear:2012-13

Murigeppa Bangarappa Kabbur B Block APMC Yard Ranebennur-581115 Karnataka  <b>PAN NO : ACZPK8510A</b>	<b>Vs.</b>	ITO Ward-2 Haveri Kabbur
<b>APPELLANT</b>		<b>RESPONDENT</b>

<b>Appellant by</b>	:	Smt. Pratibha R., A.R.
<b>Respondent by</b>	:	Sri Ganesh R. Ghale, Standing Counsel for Revenue

<b>Date of Hearing</b>	:	25.09.2023
<b>Date of Pronouncement</b>	:	25.09.2023

**O R D E R**

**PER LAXMI PRASAD SAHU, ACCOUNTANT MEMBER:**

This is an appeal filed by the assessee against order passed by the NFAC Delhi dated 9.6.2023 DIN No.ITBA/NFAC/S/250/2023-24/1053800083(1) for the assessment year 2012-13 on the following grounds of appeal:

**Ground No-1 :**On the facts and in the circumstances of the case, learned Commissioner of Income Tax(Appeals) erred in confirming addition of Rs.9,79,729/- on account of difference in balances of Sundry Creditors without appreciating the facts.

**Ground No-2:**On the facts and in the circumstances of the case, learned Commissioner of Income Tax (Appeals) is not justified in confirming addition of Its.12,86,143/- made on account of difference in balance of sundry creditors ignoring the report of Assessing Officer's Report vide F.No.65/Remand/AddlCIT/R-2/DVG/2019-20 addressed to the Commissioner of Income Tax (Appeals) wherein relief to extent of Rs.12,67,533/- is granted and thereby reducing additions to Rs.18,610/- as against Rs.12,86,143/-.

**Ground No-3:***On the facts and in the circumstances of the case, learned Commissioner of Income Tax (Appeals) erred in confirming addition of Rs. 47,572/- an account of difference in balances of sundry debtors.*

**Ground No-4:***On the facts and in the circumstances of the case, learned Commissioner of Income Tax (Appeals) ought to have provided reasonable opportunity to the appellant to submit the necessary evidences as against addition made in the assessment and ought to have considered the evidences and explanation already placed on the records in course of scrutiny assessment.*

**Ground No-5:***For these and other reasons and other grounds of appeal that may be raised in due course it is urged that the additions made as described above may be deleted and an opportunity may be provided to the appellant to substantiate his case as to get relief as against additions made in assessment.*

2. Briefly stated facts of the case are that the assessee has filed appeal against the assessment order passed on 30.3.2015 for making addition as per para nos.3, 3.1 & 3.2 of the assessment order. The ld. CIT(A) has observed that the assessee has not submitted any documents for substantiating as per the grounds of appeal before him. Therefore, he dismissed the appeal of the assessee. The ld. A.R. submitted that the ld. CIT(A) has wrongly observed in his order that during appellate proceedings, a remand report was called for. The ld. AO vide its remand report F.No.65/Remand/AddlCIT/R-2/DVG/2019-20 sustained only Rs.18,610/- and rest amount has been accepted by the ld. AO. However, the ld. CIT(A) has ignored these facts and mentioned in the order that no written submissions were filed by the assessee for pursuing his case is completely wrong. Accordingly, he requested that the matter may be sent back to the file of ld. AO for fresh verification with the differences noted by the ld. AO in confirming the accounts of the debtors' and creditors' balances and remand report submitted earlier.

3. The ld. D.R. relied on the order of lower authorities.

4. Considering the rival submissions, the AO has made addition on the differences observed during the course of assessment proceedings and not responding by the creditors for the notices issued by the ld. AO. However, during the appellate proceedings, it is clear from the grounds of appeal before the Tribunal that the ld. CIT(A) has called for the remand report from ld. AO, which has been submitted by the concerned ld. AO vide F.No.65/Remand/Addl.CIT/R-2/DVG/2019-20 which has not been appreciated by the ld. CIT(A). Accordingly, it clearly shows that the ld. CIT(A) has not given proper appreciation during the appellate proceedings. As per the grounds of appeal in ground No.2 in the remand report, the ld. AO has given relief to the extent of Rs.12,67,533/-. Since during the course of hearing, the remand report was not available before me, therefore considering the entire issue, I think it fit to remit the matter to the file of AO for fresh consideration as per grounds raised by the assessee. The assessee is directed to produce the necessary documents for substantiating its case except the issue involved in remand report. The assessee be given reasonable opportunity of hearing and decide the issue as per law.

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

Order pronounced in the open court on 25<sup>th</sup> Sept, 2023

**Sd/-**  
**(Laxmi Prasad Sahu)**  
**Accountant Member**

Bangalore,  
Dated 25<sup>th</sup> Sept, 2023.  
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The CIT(Judicial)
5. The DR, ITAT, Bangalore.
6. Guard file

By order

**Asst. Registrar,  
ITAT, Bangalore.**