

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

**BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER
AND
SHRI KUL BHARAT, JUDICIAL MEMBER**

**ITA No.2206/Del/2019
(Assessment Year: 2014-15)**

Lokenath Investment Consultants P. Ltd.,
2nd Floor, 19, Local Complex,
Near Pushpa Bhawan, Madangir,
New Delhi – 110 062.

vs. ACIT, Central Circle 8,
New Delhi.

(PAN : AABCL5792L)

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : None

REVENUE BY : Ms. Nimisha Singh, CIT DR

Date of Hearing : 16.11.2023

Date of Order : 16.11.2023

ORDER

PER SHAMIM YAHYA, ACCOUNTANT MEMBER :

This appeal by the assessee is directed against the order of the Id. CIT (Appeals)-24, New Delhi dated 07.01.2019 for the assessment year 2014-15.

2. Ground of appeal taken by the assessee reads as under :-

“That on facts and circumstances of the case and in law, the Commissioner of Income Tax (Appeals)-XXIV, New Delhi [‘the Ld. CIT (A)’] has erred in upholding the order of the Assistant Commissioner of Income tax, Central Circle-08, New Delhi (the Ld. Assessing Officer) in upholding the addition of Rs.81,250/- made u/s 37 of the Act on account of alleged unexplained expenditure on commission.”

3. Brief facts of the case are that AO made addition of Rs.32,50,000/- in the hands of the assessee for routing money which is unexplained on protective basis. Thereafter, AO also made ADDITION for unexplained expenditure by observing as under :-

“It is established that the assessee company is a paper company and has been utilised for channelizing the unaccounted funds of M/s. Surya Agrotech Infrastructure Pvt. Ltd. Generally the entry operators charge 2-3% of total entry-value as commission, the assessee company has not shown this income in the relevant A.Y. The assessee company has given entry of Rs.32,50,000/- in this year, for which commission @ 2.5% works out to Rs.81,250/-. This amount is added to the income of the assessee company.”

4. Upon assessee's appeal, Id. CIT (A) deleted the protective addition and upheld the addition of interest as unexplained expenditure and he upheld substantive addition in the hands of Surya Agrotech Infrastructure Pvt. Ltd.. Ld. CIT (A) deleted the protective addition in the hands of the assessee.

5. Against the above order, assessee has filed appeal before us. None appeared on behalf of the assessee despite notice. We have heard the Id. DR for the Revenue and perused the records.

6. We note that the only issue raised before us is regarding the interest of Rs.81,250/- under section 37 of the Income-tax Act, 1961 (for short 'the Act'). We find no infirmity in the order of authorities below regarding charging of interest, hence disallowance of Rs.81,250/- is confirmed.

7. Before parting, we may observe that we have only addressed the issue raised by the assessee and no appeal by the Revenue has been brought to our notice in this regard.

8. In the result, the assessee's appeal is dismissed.

Order pronounced in the open court on this 16th day of November, 2023.

**Sd/-
(KUL BHARAT)
JUDICIAL MEMBER**

**sd/-
(SHAMIM YAHYA)
ACCOUNTANT MEMBER**

**Dated the 16th day of November, 2023
TS**

Copy forwarded to:

- 1.Appellant
- 2.Respondent
- 3.CIT
- 4.CIT (A)-24, New Delhi.
- 5.CIT(ITAT), New Delhi.

**AR, ITAT
NEW DELHI.**