

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

**BEFORE,
SHRI S.RIFAUH RAHMAN, ACCOUNTANT MEMBER**

**ITA No.2243/Del/2023
(ASSESSMENT YEAR 2017-18)**

Best Sugar Private Ltd. Unit No.502 Building D-Mall Wazirpur District Centre, Netaji Subhash Palace, Pitampura Delhi-110034 PAN-AADCB9703H (Appellant)	Vs.	Income Tax Officer Ward-4(3) Delhi (Respondent)
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Assessee by	None
Respondent by	Shri Om Prakash, Sr. DR
Date of Hearing	07/05/2024
Date of Pronouncement	15/05/2024

ORDER

PER S.RIFAUH RAHMAN, AM:

1. This appeal has been filed by the Assessee against the order of Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi ["Ld. CIT(A)", for short], dated 28/02/2023 for Assessment Year 2017-18.

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

"1. That the impugned assessment order dated 30.11.2019 as passed u/s 143(3) of the Income Tax Act is arbitrary, unjust and illegal."

2. That the addition of Rs.6,00,000/- on account of advance given to builder to buy an office in Delhi is arbitrary, unjust and illegal.

3. That the total assessed income of Rs.6,11,120/- is very excessive.

4. That the levy of interest u/s 234B amounting Rs.58,400/- is arbitrary and illegal and at any rate very excessive.”

3. At the outset, we observe from the record that, in spite of issue of notice none appeared on behalf of the assessee nor any adjournment was sought. We observed that after filing this appeal, the case was posted for hearing 5 times but none appeared until now. Therefore, we proceed to dispose of this appeal with the assistance of Ld. DR.

4. The Ld. DR brought to our notice relevant facts of the case and relied on the orders of the lower authorities. Further, Ld. DR submitted that the assessee has paid Rs.6 lakh to the builder out of cash and not disclosed the same in the books of account. The same was sustained by the Ld. CIT(A). Therefore, the assessee has not utilized the opportunity to represent the case before this bench.

5. Considered the submissions of Ld. DR and material placed on record. On a perusal of the assessment order and Ld. CIT(A) order, we noticed that several notices were issued to the assessee for the hearing. None appeared on behalf of the assessee nor any adjournment was sought. We proceed to decide the issue on the merits. We observed that assessee has paid advance for purchase of flat for office out of cash. The Assessing Officer dismissed the observation of the assessee and observed that assessee has only Rs.5,68,392/- as the opening cash balance and no business was carried on. In our view, it is fact on record that the assessee has opening cash and spent some expenditure during the year. Therefore, the assessee has certain cash as opening balance and the assessee has recorded this transaction in its books. The AO has observed from Balance Sheet itself that the assessee has paid certain advance. Therefore, in our view, this addition is uncalled for. Considering the fact that the assessee had sufficient cash as opening cash and paid similar amount in cash to pay advance for purchase of flat. Accordingly, do not see any reason to sustain the addition.

6. In the result, appeal filed by the assessee is allowed.

Order pronounced in the open court on 15th May, 2024.

Sd/-

(S.RIFAUR RAHMAN)
ACCOUNTANT MEMBER

Dated:15/05/2024

Pk/sps

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT, NEW DELHI