

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

BEFORE SHRI KUL BHARAT, JUDICIAL MEMBER

**ITA No.96/Del/2024
[Assessment Year : 2014-15]**

PAM Jewellers Pvt.Ltd., Shop No.202, 2548, Gali No.6 & 7, Beadon Pura, Karol Bagh, New Delhi-110005. PAN-AAFCP7691A	vs	ACIT, Central Circle-27, New Delhi.
APPELLANT		RESPONDENT
Appellant by	Shri Nirbhay Mehta, CA	
Respondent by	Shri Om Parkash, Sr.DR	
Date of Hearing	20.05.2024	
Date of Pronouncement	22.05.2024	

ORDER

PER KUL BHARAT, JM :

The present appeal filed by the assessee is directed against the order passed by Ld.CIT(A)-29, New Delhi dated 30.06.2023 for the assessment year 2014-15.

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

1. *"That on the facts and circumstances of the case and in law the order passed by CIT (A)-27 New Delhi is contrary to the facts and bad in law.*
2. *That is the CIT (A) was not justified on facts and circumstances of the case and in law, in confirming the addition made by the AO on account of purchase expense amounting to Rs 40,00,000/- u/s 37 of Income Tax Act 1961.*
3. *That on the facts and circumstances of the case and in law the order passed by the CIT (A) is an ex- parte order and no opportunity was given and hence is in violation to the rule of natural justice.*

4. *That on the facts and circumstances of the case and in law the order passed by the CIT (A) does not mention a DIN on the order, as per CBDT Circular No. 19/2019. Hence, the order is bound to be quashed on this ground alone.*
5. *That the appellant craves leave to add, alter and modify any of the grounds during the course of appellate proceedings.”*

3. Apropos to the grounds of appeal, Ld. Counsel for the assessee at the outset, submitted that the assessee was not provided sufficient opportunity to represent its case. He submitted that the Assessing Officer (“AO”) made addition for want of bank statement. He submitted that before the AO, it was contended that the expenditure was on account of purchase but the AO without verifying the correctness of the claim, made addition. Ld.CIT(A) has decided the issue *ex-parte* to the assessee. He submitted that the assessee should be granted opportunity to sub-serve the interest of principles of natural justice and for the sake of substantial justice, matter may be remanded to the file of AO.

4. On the other hand, Ld. Sr. DR for the Revenue opposed the submissions of the assessee and pointed out that Ld.CIT(A) had given various opportunities to the assessee. He drew my attention to the impugned order and submitted that under the facts and circumstances of the case, the authorities below were justified to make and sustain the addition in the absence of the explanation offered by the assessee. He contended that the assessee was given sufficient opportunity. He contended that principles of natural justice are not violated in this case. The assessee has been negligent and remained in slumber.

5. I have heard Ld. Authorized Representatives of the parties and perused the material available on record. It is stated by the Ld. Counsel for the assessee that

the explanation was given by the assessee regarding incurring expenditure. He contended that the assessee is ready to file bank statement thereafter, the AO can verify the correctness of the claim of the assessee. Having considered the material available on record and submissions made by the Ld. Representatives of the parties, I am of the considered view that the AO ought to have made independent inquiry about the claim of the assessee. Now, the Ld. Counsel for the assessee submits that he would file the relevant evidence before the Assessing Authority. Therefore, in the interest of substantial justice and fair play, I hereby set aside the impugned *ex-parte* order of Ld.CIT(A) and restore the assessment to the file of AO for verifying the correctness of the claim of the assessee and thereafter, frame the assessment afresh in accordance with law. Grounds raised by the assessee are accordingly, allowed for statistical purposes.

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

Order pronounced in the open Court on 22nd May, 2024.

Sd/-

**(KUL BHARAT)
JUDICIAL MEMBER**

** Amit Kumar **

Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT, NEW DELHI