

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "C", MUMBAI

BEFORE SHRI ANIKESH BANERJEE, JUDICIAL MEMBER AND
SHRI GAGAN GOYAL, ACCOUNTANT MEMBER

ITA 980/Mum/2024
(Assessment year : 2021-22)

Parshav Global Tradelink Private Limited, Gala No.16, Mustafa Market Galli No.3, 90 Feet Road Sakinaka, Kurla West, Mumbai Suburban, Maharashtra-400 072 PAN : AAICR4404Q	vs	Income Tax Officer, Mumbai Ayaakar Bhavan, Mum Ward –(553) (93), Mumbai
APPELLANT		RESPONDENT

Assessee by : None
Respondent by : MS Madhu Malati Ghosh (CIT – DR)
Date of hearing : 06/06/2024
Date of pronouncement : 07/ 06/2024

ORDER

PER ANIKESH BANERJEE, J.M:

Instant appeal of the assessee is preferred against the order of the National Faceless Appeal Centre, Delhi [for brevity, 'Ld.CIT(A)'] passed under section 250 of the Income-tax Act, 1961 (in short, 'the Act'), for Assessment Year 2021-22, date of order 23.10.2024. The impugned order is emanated from the order of

the National e-Assessment Centre, Delhi (in short, 'the Id. A.O.')

passed under section 143(3) read with section 144B of the Act, order dated 22/12/2022.

2. The assessee has taken the following grounds of appeal:-

"1. In die facts and circumstances of the case and in law, the Commissioner of Income Tax (Appeals) erred in reopening the assessment u/s 250 of the Income Tax Act, 1961 which was completed u/s 143(3) r.w.s 144B of the IT Act 1961

2. In the facts and circumstances of the case and in law, the Commissioner of Income Tax (Appeals) erred in making the addition of Rs.13,11,13,560 and treated as unexplained expenditure of the Appellant u/s 69C of the Income Tax Act, 1961

3. In the facts and circumstances of the case and in law, the Commissioner of Income Tax (Appeals) erred in applying the provisions of Sec 69C of the IT Act, 1961 in the appellant case, as the same is not applicable under the facts and circumstances of the case.

4. In the facts and circumstances of the case and in law, the Commissioner of Income Tax (Appeals) erred in not considering the fact that the appellant is a : trading company and if the-sales .are not doubted, the purchases cannot be considered non-genuine-and unverified'.

5. In the facts and circumstances of the case and in law, the Commissioner of Income Tax (Appeals) erred in not applying the principal of natural justice in the case.

6. In the facts and circumstances of the case and in law, the Commissioner of Income Tax (Appeals) erred in not giving reasonable opportunity to the appellant and passed the order u/s 250 of the Income Tax Act, 1961

7. The Appellant craves leave to add/alter any of the grounds of appeal on or before the date of final hearing."

3. When the appeal was called for hearing, none was present on behalf of the assessee. The adjournment petition was also not filed before the bench. Considering the merit of the case, we proceed to dispose of the appeal on exparte qua for assessee after hearing the Ld.DR.

3. Brief fact of the case is that the assessee had a total purchase during the impugned assessment year amounting to Rs.31,86,69,225/-. The purchase to the tune of Rs.13,11,13,560/- is unverified and was treated as unexplained expenditure incurred by the assessee and the entire amount of Rs.13,11,13,560/-, the unverified purchase is added back with a total income of the assessee U/s 69C of the Act. The aggrieved assessee filed an appeal before the Id. CIT(A) and prayed for relief. But the appeal petition is dismissed ex parte. Being aggrieved on the appeal order, the assessee filed an appeal before us.

4. We heard the submissions of Ld.DR, considered the documents available in the record and perused the orders of the revenue authorities. The assessment was completed with an addition of Rs.13,11,13,560/- under section 69C of the Act for non verification of the purchases out of the total purchases of Rs.31,86,69,225/-. The assessee filed an appeal before the ITAT with a ground that the reasonable opportunity was denied and the Ld.CIT(A) passed the order without considering the merit of the case. This is a high demand case and in the appeal stage, the assessee did not comply before the CIT(A) even after giving the reasonable opportunity. In our considered view, we remand the matter to the file of the Ld.CIT(A) for adjudication. Hence, we are of the view that, in the interest of natural justice, that assessee may be given one more opportunity to represent its case properly before the Id. CIT(A). Since the assessee is not able to provide satisfactory explanation about noncompliance of notices issued by the Id. CIT(A), we are of the view that the assessee should be imposed a cost in order to make him understand the importance of income tax proceedings. Accordingly, we impose the cost amount of Rs.5,000/- (Rupees five thousand only) upon the

assessee which shall be paid to the credit of Income Tax Department within two months from the date of receipt of this order.

Subject to the payment of above cost which shall be verified by the Id. CIT(A). All the issues are restored to the file of the Id. CIT(A) for adjudicating the case on merits. We are not expressing any views on the merits of the case so as to limit the appellate procedure before the Id. CIT(A). Needless to say, the assessee should get a reasonable opportunity of hearing. The assessee should be diligent in appeal proceeding for expeditious disposal of appeal.

5. In the result, the appeal of the assessee bearing **ITA No.980/Mum/2024** is allowed for statistical purposes.

Order pronounced in the open court on 07th day of June, 2024.

Sd/-

(GAGAN GOYAL)
ACCOUNTANT MEMBER

Mumbai, दिनांक/Dated: 11/06/2024

Pavanan

Copy of the Order forwarded to:

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकर आयुक्त CIT
4. विभागीय प्रतिनिधि, आय.अपी.अधि., मुंबई/DR, ITAT,
Mumbai
5. गार्डफाइल/Guard file.

sd/-

(ANIKESH BANERJEE)
JUDICIAL MEMBER

BY ORDER,

//True Copy//

(Asstt. Registrar), ITAT, Mumbai

