

**THE INCOME TAX APPELLATE TRIBUNAL,
DELHI BENCH: 'H' NEW DELHI**

**BEFORE SHRI G.S. PANNU, VICE-PRESIDENT AND
SHRI ANUBHAV SHARMA, JUDICIAL MEMBER**

ITA No. 3588/Del/2019
Assessment Year: 2013-14

Intarvo Technologies Ltd., Regency Tower, C-69, Sec.58, Noida (UP) PIN: 201 307	Vs.	DCIT, Ward 12(2), New Delhi
PAN: AABCR7753B		
(Appellant)		(Respondent)

Assessee by	N o n e
Department by	Shri Amit Katoch, Sr. DR

Date of hearing	05.04.2024
Date of pronouncement	10.06.2024

ORDER

PER ANUBHAV SHARMA: JUDICIAL MEMBER:

Assessee has filed the appeal against the order dated 24.12.2018 under Sections 143(3) of the Income-Tax Act, 1961 (hereinafter referred "the Act") passed by the learned Commissioner

of Income-Tax (Appeals)-12, New Delhi in an appeal before him arising out of assessment order dated 16.12.2015 passed by the DCIT, Circle 12(2), New Delhi (hereinafter referred as “the A.O. or in short “AO”) under Section 143(3) of the Act for assessment year 2013-14.

2. Heard and perused the record.

3. At the time of hearing, none appeared for and on behalf of the assessee and record shows that earlier on 12.04.2023 and 27.06.2023, Shri Prerit Sharma, CA had appeared and on 04.07.2023 and 04.09.2023 Shari Sidharath Arora, CA appeared and sought adjournment. Thereafter, none appeared inspite of notices issued by RPAD are received back unserved with the remarks of “unserved”. No more notice is justified.

4. Learned Departmental Representative was heard who has supported the findings of the tax authorities below.

5. Assessee’s return of income declaring loss was taken up for scrutiny assessment and after examining the P & L account and other financial additions were made by the Assessing Officer on account of Rs.36,88,478 under the head “tax authorities” which were not found added back at the time of filing the return. Addition of Rs.94,29,964

was made on account of unclaimed liabilities written back in fixed assets schedule without entering through P & L account. Addition of Rs.86,43,382 was made on account of advances to suppliers written off and inventory written off pertaining to previous years and an addition was made of Rs.2,54,310 under Section 36(1)(ii) of the Act for interest free loans without business expediency.

6. Learned Commissioner (Appeals) had partly allowed the appeal of assessee for which assessee is in appeal before us challenging the addition sustained on account of advances to supplier written off and inventory written off and further the sustenance of disallowance of interest cost.

7. Appreciating the order of learned Commissioner (Appeals), we find that assessee failed to Exhibit any business purposes were served by way of extending the interest free advances and on that account, the disallowance of interest cost was sustained.

8. But as with regard to advances to suppliers written off and inventory written off, the assessee's submissions have not been considered at all. As with regard to disallowance of advances to suppliers written off of Rs.78,47,389. Assessee had filed general

vouchers dated 31.03.2013 which have not been considered by learned Commissioner (Appeals). Thus, in regard to ground nos.1 and 2, as raised before us, we are inclined to restore the issue on merits to learned Commissioner (Appeals) to consider the plea of assessee and pass an order afresh.

8. Ground no.3 has no substance and the same is rejected.

9. In the result, the appeal is partly allowed with consequence to follow as above.

Order pronounced in the open court on 10 /06/2024.

Sd/-
(G.S. PANNU)
VICE-PRESIDENT

Sd/-
(ANUBHAV SHARMA)
JUDICIAL MEMBER

Dated: 10th June, 2024.

Mohan Lal

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi