

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

**BEFORE SHRI ANIKESH BANERJEE, JUDICIAL MEMBER AND
SHRI GAGAN GOYAL, ACCOUNTANT MEMBER
ITA No. 958/Mum/2024 (A.Y.2012-13)**

Cranes Real Estate Pvt. Ltd.

Unit No. 34, 2nd Floor,
Arsieala Building, Wode
House Road, Colaba,
Maharashtra – 400 005
PAN: AADCC1763G

..... Appellant

Vs.

ACIT, Circle-3 (1)(2)

Aayakar Bhavan,
M. K. Road,
Mumbai- 400 020

..... Respondent

Appellant by	:	None
Respondent by	:	Ms. Madhu Malti Ghosh, Ld. DR
Date of hearing	:	06/06/2024
Date of pronouncement	:	07/06/2024

ORDER

PER GAGAN GOYAL, A.M:

This appeal by assessee is directed against the order of National Faceless Appeal Centre (for short "NFAC") dated 13.12.2022 u/s. 250 of the Income Tax Act, 1961 (in short 'the Act') for A.Y. 2012-13. The assessee has raised the following grounds of appeal:-

1. *On the facts and circumstances of the case and in law the Ld. Commissioner of Income Tax (Appeals) has erred in deciding the appeal ex-parte.*
2. *On the facts and circumstances in the case and in law the Ld. Commissioner of Income Tax (Appeals) has erred in confirming re-opening the assessment done by the Assessing Officer u/s 147 of the Act.*
3. *On the facts and circumstances of the case and in law the Ld. Commissioner of Income Tax (Appeals) has erred in sustaining the addition made by the Id. A.O. u/s. section 68 of the Act of Rs. 22,02,22,002/- on account of alleged non genuine purchases.*
4. *On the facts and circumstances of the case and in law the Ld. Commissioner of Income Tax (Appeals) has erred in holding the purchases as unexplained investment in the hands of appellant (para 9 & 10 of the assessment order) & thus the order passed is without any application of mind*
5. *the appellant craves leave to alter, amend, modifies or substitute any ground / grounds and to add any new ground or grounds on or before the appeal is disposed off.*

2. The brief facts of the case are that the assessee company filed its return of income on 26.09.2012 declaring net loss at Rs. (-) 2, 19,115/-. Information received from the office of DDIT (Inv), Unit-1, Vapi stating that as per bank statement obtained from the bank, it is seen that the large debits and credits have been observed in the bank account no.750CBCA01000720 in the name of M/s. Raves Trade Pvt. Ltd. as reported in STR. On further verification of summary of credits in the said bank account, it was observed that during the year, the assessee M/s. Cranes Real Estates Pvt. Ltd. had made purchases to the tune of Rs. 22,02,22,002/- from M/s. Raves Trade Pvt Ltd. Further, on perusal of bank account of M/s. Raves Trade Pvt Ltd, it is seen that large funds are being credited in its account from various concerns and the same are transferred to other various concerns on the very same day. Since M/s. Raves Trade Pvt. Ltd. is not doing any business activity and is engaged in routing funds and providing accommodation entries, the transaction made by the assessee with M/s. Raves Trade Pvt. Ltd. amounting to Rs. 22, 02, 22, 002/- has escaped assessment.

3. Based on the information narrated (supra), case of the assessee was reopened and a notice u/s. 148 of the Act was issued vide dated 30.03.2019. In response to the said notice, the assessee filed a return of income on 18.04.2019 and reasons recorded for reopening were supplied to the assessee vide office letter dated 23.09.2019. Thereafter, notices u/s. 143(2) and 142(1) of the I.T. Act were issued on 07.11.2019, calling for various details with regard to reasons recorded for reopening and the date of hearing was fixed on 14.11.2019. In response to the said notices, the assessee has filed e-response and made part submissions. Therefore, a notice u/s. 142(1) was issued on 02.12.2019 asking to submit the details called for vide earlier notices. Since the assessee has not responded to this notice, a show cause notice was issued on 14.12.2019 requesting to show cause as to why the assessment should not be completed u/s. 144 on the basis of material available on record and the date of compliance was fixed on 18.12.2019. In the show-cause notice dated 14.12.2019, it was specifically mentioned that assessment should be completed u/s. 144 on the basis of material available on record, if no compliance is made to the notices. However, the assessee has not responded to this notice also. In view of non-compliance and non-cooperative attitude of the assessee, AO completed the assessment on ex-parte basis and added back the whole amount of Rs. 22, 02, 22, 002/- u/s. 68 of the Act. The assessee being aggrieved with the order of AO preferred an appeal before the Ld. CIT (A) who in turn dismissed the appeal of the assessee because of non-compliance before him. The assessee felt aggrieved with this order passed by the Ld. CIT (A) preferred the present appeal before us.

4. We have gone through the order of AO, order of the Ld. CIT (A) and submissions of the assessee alongwith the grounds raised before us. It is observed that the assessee neither participated before the AO, nor before the Ld. CIT (A) and even before us no power of attorney was filed. The Assessee filed the appeal before us on 01.03.2024 and case was fixed for hearing before us on 06.06.2024, still there is no appearance by the assessee and no adjournment was filed.

4. Without going into the merits of the case, one thing can be ascertained about the assessee that the approach of the assessee in complying with the notices issued at all stages is so casual and looks to be non-serious in pursuing the matter under consideration. We have gone through the grounds of appeal taken before us, it is simply a sheet of allegations without any corroborative evidence and a blame game document, which is not going to help the assessee.

5. Considering the overall behaviour and conduct of the assessee, we find that assessee is not interested in proper prosecution of the matter before any forum; hence we deem it fit to dismiss the appeal without any consequential comments on the matter. Although by this order, we still leave a room for the assessee to revive the matter by filing M.A. in due course.

6. In the result, appeal of the assessee is dismissed.

Order pronounced in the open court on 7th day of June, 2024.

Sd/-

(ANIKESH BANERJEE)
JUDICIAL MEMBER

Mumbai, दिनांक/Dated: 07/06/2024

Dhananjay, Sr. PS

Sd/-

(GAGAN GOYAL)
ACCOUNTANT MEMBER

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. गार्ड फाइल/Guard file.

//True Copy//

BY ORDER,

(Asstt. Registrar)
ITAT, Mumbai