

**IN THE INCOME TAX APPELLATE TRIBUNAL,
CHANDIGARH BENCH "A", CHANDIGARH**

HEARING THROUGH: PHYSICAL MODE

**BEFORE: JUSTICE (RETD.) C.V. BHADANG, PRESIDENT AND
SHRI. VIKRAM SINGH YADAV, ACCOUNTANT MEMBER**

ITA NO. 674/Chd/2024
Assessment Year : 2014-15

M/s Compact Logistic Private Limited 851-863, Industrial Area-A Ludhiana- Punjab- 141003	Vs.	The ITO Ludhiana
PAN NO: AACCC5156E		
Appellant		Respondent

Assessee by : Shri Ashwani Kumar, C.A and

Shri Aditya Kumar, C.A

Revenue by : Shri Rohit Sharma, CIT, DR

Date of Hearing : 12/07/2024

Date of Pronouncement : 12/07/2024

Order

PER VIKRAM SINGH YADAV, A.M. :

This is an appeal filed by the Assessee against the order of the Ld. CIT(A)-5, Ludhiana dt. 19/04/2024 pertaining to Assessment Year 2014-15.

2. In the present appeal, the assessee has raised the following grounds of appeal:

"1. That order passed u/s 250(6) of the Income Tax At, 1961 by the Learned Commissioner of Income Tax (Appeals)-5, Ludhiana is against law and facts on the file in as much as he was not justified to decide the appeal of the appellant ex-parte.

2. That the Learned CIT(A) was not justified in not adjudicating the various grounds of appeal on merit."

3. Briefly the facts of the case are that the assessee has filed its return of income declaring total income of Rs. 22,840/- on 20/09/2014. The return of income was selected for scrutiny ad after issuing of requisite notice and calling for the information / documentation, the AO passed the order under section 143(3) dt. 28/12/2016 accepting the returned income. Thereafter, the Ld. Pr. CIT-3, Ludhiana issuing a show cause under section 263 and thereafter, considering the written submissions filed by the assessee but not finding the same acceptable, vide order dated 27/03/2019, the assessment order was set aside to the file of the AO for passing a fresh order in accordance with the law in respect of matter connected with sundry creditors standing in the financial statements of the assessee company. Thereafter, the AO passed the order under section 143(3) r.w.s 263 dt. 25/12/2019 wherein the amount of Rs. 31,69,56,748/- was brought to tax in the hands of the assessee on account of amount standing credit in the financial statements in respect of various sundry creditors which remain unsubstantiated and unverified.

4. Against the aforesaid order passed by the AO u/s 143(3) r/w 263, the assessee moved in appeal before the Ld. CIT(A)-5, Ludhiana who vide impugned order dt. 19/04/2024 has dismissed the appeal of the assessee. Against the said order, the assessee is in appeal before us.

5. During the course of hearing, the Ld. AR submitted that the matter has been decided *ex-parte qua* the assessee and even on merits of the case, no findings has been recorded by the Ld. CIT(A). It was accordingly submitted that the assessee be allowed one more opportunity and matter may be set aside to the file of the Ld. CIT(A) to decide the same afresh after providing necessary opportunity to the assessee.

6. Per contra, the Ld. DR submitted that the assessee has been provided numbers of opportunities by the Ld. CIT(A) however there has been no

compliance on the part of the Assessee resulting in passing of the ex-parte order. At the same time, it was further submitted that Revenue has no objection where the matter is set-aside to the file of the Id CIT(A) to decide the same on merits.

7. In his rejoinder, the Id AR submitted that the assessee had responded to the notices and moved the adjournment applications and sought time to submit the necessary information before the Ld. CIT(A) and our reference was drawn to the notice dt. 10/04/2024, wherein the matter was listed for hearing on 16/04/2024 in respect of which the assessee had moved an adjournment application and without allowing further opportunity to the assessee, the Ld. CIT(A) has passed the impugned order on 19/04/2024. It was further submitted that the assessee be allowed an opportunity to defend its case on merits and the prayer has accordingly been made to set aside the matter to the file of the Ld CIT(A).

8. After hearing both the parties and considering the material available on the record, we find that it is an admitted position that the case of the assessee has not been decided on the merits of the case and we therefore don't have the benefit of the findings of the Id CIT(A) and accordingly, we deem it appropriate to set aside the matter to the file of the Ld. CIT(A) to decide the same afresh as per law by way of speaking order after providing reasonable opportunity to the assessee. Needless to say, the assessee shall attend to the proceedings and submit necessary information/documentation as so advised.

9. In the result, appeal of the Assessee is allowed for statistical purposes.

Order pronounced in the open Court on 12/07/2024

Sd/-
(JUSTICE (RETD.) C.V. BHADANG)
PRESIDENT

Sd/-
(VIKRAM SINGH YADAV)
ACCOUNTANT MEMBER

AG

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. आयकर आयुक्त (अपील) / The CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
6. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,
सहायक पंजीकार/ Assistant Registrar