

**IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH, BANGALORE**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER AND
SHRI SOUNDARARAJAN K, JUDICIAL MEMBER**

ITA No. 1246/Bang/2024
Assessment Years: 2017-18

SVR Builders, No.27, 1 st Floor, Mallige Complex, Subramanyapura Main Road, KSRTC Layout, Bengaluru - 560 061. PAN – ADBFS 9146 B	Vs.	The Asst. Commissioner of Income Tax, Circle – 3(2)(1), Bengaluru. .
APPELLANT		RESPONDENT

Assessee by	:	Shri Narayana Murthy, ITP
Revenue by	:	Ms. Neha Sahay, JCIT (DR)

Date of hearing	:	06.08.2024
Date of Pronouncement	:	16.08.2024

ORDER

PER WASEEM AHMED, ACCOUNTANT MEMBER :

This is an appeal filed by the assessee against the order passed by the NFAC, Delhi dated 30/04/2024 in DIN No. ITBA/NFAC/S/250/2024-25/1064473805(1) for the assessment year 2017-18.

2. At the outset, it was noticed that the assessee neither appeared before the AO nor before the Id. CIT(A) during the proceedings before them even though various opportunities of being heard were extended to the assessee.

3. At the time of hearing before us, the Id. AR contended that it is the 1st year existence of the assessee. The partners of the firm do not have requisite awareness about the Income Tax matters and the use of information technology with respect to such income tax matters. Besides, whatever notices were received by the firm from the Income Tax Department, they were handed over to tax professional. Thus, the assessee was under the bona-fide belief that the matter has been duly complied with by such tax professional but on a later date, the assessee came to know that there was no-compliance by the tax consultant. However, the Id. AR appearing before us undertook the responsibility for the necessary compliances before the authorities below and, therefore, he prayed to set aside the issue to the file of the AO for fresh adjudication as per the provisions of law.

4. On the contrary, the Id. DR did not raise any serious objections upon the responsibility taken over by the Id. AR for the assessee for necessary compliances for setting aside the matter to the file of the AO for fresh adjudication as per the provisions of law.

5. We have heard the rival contentions of both the parties and perused the materials available on record. Admittedly, the assessee had been negligent in making the compliances before the revenue authorities. But what we find from the order of the authorities below is that the entire expenses claimed by the assessee has been treated as income besides the cash deposit of Rs. 49,75,000/- only. It is the trite law that the income has to be determined within the provisions of law and in scientific manner despite of non-cooperation from the side of the assessee. Be that as it may be, taking a note on the responsibility taken by the Id. Counsel for the assessee for making the necessary compliances, we are inclined to afford one more opportunity to the

assessee to represent its case before the AO. It is needless to mentioned that the assessee shall cooperate during the proceedings and shall not take any adjournment without just cause. With this observation, we set aside the finding of the Id. CIT(A) and remit the issue back to the AO for fresh adjudication as per the provisions of law. Hence, the ground of appeal filed by the assessee is allowed for statistical purposes.

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

Order pronounced in court on 16th day of August, 2024

Sd/-

(SOUNDARARAJAN K)
Judicial Member

Sd/-

(WASEEM AHMED)
Accountant Member

Bangalore
Dated, 16th August, 2024

/ vms /

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The CIT(A)
5. The DR, ITAT, Bangalore.
6. Guard file

By order

Asst. Registrar, ITAT, Bangalore