

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

BEFORE SHRI SAKTIJIT DEY, VICE PRESIDENT

AND

SHRI BRAJESH KUMAR SINGH, ACCOUNTANT MEMBER

**ITA No.1406/DEL/2024
[Assessment Year: 2014-15]**

Chhabra Triple Five Fashions Private Limited, 555, Katra Ashrafi, Chandni Chowk, Delhi-110066	Vs	Addl. Commissioner of Income Tax, Special Range-2, I.P. Estate, C.R. Building, New Delhi-110002
PAN-AAACC0499E		
Assessee		Revenue

Assessee by	Ms. Vandana Bhandari, CA
Revenue by	Sh. Shyam Manohar Singh, Sr. DR

Date of Hearing	12.08.2024
Date of Pronouncement	22.08.2024

ORDER

PER BRAJESH KUMAR SINGH, AM,

This appeal by the assessee is directed against the order of the National Faceless Appeal Centre, Delhi, dated 09.11.2023 pertaining to Assessment Year 2014-15.

2. The grounds of appeal raised by the assessee are as under:-

“That on the facts and circumstances of the case, and in law;

1. The CIT-A erred in dismissing the appeal of assessee ex parte on the ground of non prosecution of case; and thereby failed to appreciate that notices were not served on assessee.

2. The CIT-A erred in upholding the addition of Rs 59,89,119/- made by AO and further erred in not deciding the case on merits and hence order passed by CIT-A is against the principles of natural justice.”

3. Brief facts of the case: The assessee company is engaged in the business of dealing in dress materials, dupatta, gharara, kurtis unstitched, lehnga sarees, etc. The assessee filed its return of income on 29.11.2014 declaring total income of Rs.72,15,320/-. The assessment was completed on 29.12.2016 at a total income of Rs.1,32,04,439/- after making the following additions/disallowances:-

Sl. No.	Particulars	Addition (in Rs.)
1	Out of discounts to dealers	32,57,097/-
2	Brokerage	12,89,500/-
3	Payments subject to short deduction of TDS	14,42,522/-

4. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A). The Ld. CIT(A) dismissed the appeal of the assessee *ex-parte* as there was no compliance by the assessee, when the case was fixed for hearing on 22.01.2021, 13.09.2023 and 29.09.2023.

5. Aggrieved by the order of the ld. CIT(A), the assessee is in appeal before us.

6. The ld. AR submitted that the CIT(A) erred in dismissing the appeal of assessee *ex parte* on the ground of non -prosecution of case; and thereby failed to appreciate that notices were not served on assessee. Further, it was submitted that the CIT(A) erred in upholding the addition of Rs.59,89,119/- made by AO and further erred in not deciding the case on merits and hence order passed by CIT(A) was against the principles of natural justice.

7. The ld. Sr. DR relied upon the orders of the authorities below.
8. We have heard the rival submissions and perused the material available on record. In view of the submission of the assessee that the notice of the hearing of the ld. CIT(A) was not received and further the fact the ld. CIT(A) did not adjudicate the issue on merit, we hereby set aside the order of the Ld. CIT(A) and the matter is restored to the file of ld. CIT(A) to adjudicate the issue on merits after providing reasonable opportunity of being heard to the assessee. Grounds are allowed for statistical purposes.
9. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 22nd August, 2024.

Sd/-
[SAKTIJIT DEY]
VICE PRESIDENT

Sd/-
[BRAJESH KUMAR SINGH]
ACCOUNTANT MEMBER

Dated 22.08.2024.

SJK

Copy forwarded to:

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

Asst. Registrar,
ITAT, New Delhi