

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

**Before Dr. B. R. R. Kumar, Accountant Member
Sh. Sudhir Kumar, Judicial Member**

**ITA No. 922/Del/2020 : Asstt. Year : 2010-11
ITA No. 925/Del/2020 : Asstt. Year : 2011-12**

Umesh Kumar Prop. Mir Singh, Anaj Mandi, Gohana, Sonipat, Haryana-131301 (APPELLANT)	Vs	Income Tax Officer, Ward-5, Sonipat, Haryana-131001 (RESPONDENT)
PAN No. AWHPK8789M		

**Assessee by : None
Revenue by : Sh. Amit Katoch, Sr. DR**

Date of Hearing: 30.07.2023	Date of Pronouncement: 06.09.2023
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ORDER

Per Dr. B. R. R. Kumar, Accountant Member:

The present appeals have been filed by the assessee against the orders of Id. CIT(A), Rohtak dated 16.12.2019 and 19.12.2019.

2. Since, the issue involved in both these appeals are similar, they were heard together and being adjudicated by a common order. In ITA 922/Del/2020, following grounds have been raised by the assessee:

"1. The learned CIT (Appeals) erred in law and on facts in confirming action of the A.O. for reopening the assessment without properly appreciating the fact of the case and laws applicable thereto.

2. The learned CIT (Appeals) erred in law and on facts in confirming the addition of Rs.2400000/- made by the A.O. under section 69B of the Act on account of deposits in bank account of the appellant.

3. The learned CIT (Appeals) erred in law and on facts in confirming the addition of Rs.100000/- made by the A.O. on ad-hoc basis for low household expenses.

4. The learned CIT (Appeals) erred in law and on facts in confirming the addition of RS Rs.22451/- made by the A.O. on ad-hoc basis for Dharmada expenses.

5. The learned CIT (Appeals) erred in law and on facts in confirming the addition of Rs.39690/- made by the A.O. on adhoc basis under section 36(1)(iii) for notional interest chargeable on advances."

3. Brief facts of the case:

As per information available with concerned A.O., the case of the assessee was re-opened u/s 147 of the Income Tax Act, 18961 by recording reasons in writing as the assessee has unexplained credits of Rs.6,00,000/- in his bank account of ICICI Bank during the F.Y. 2010-11 relevant to the A.Y. 2011-12. Accordingly, the reasons were duly recorded and the notice under section 148 of the Income Tax Act, 1961 was issued to the assessee on 24.03.2015. In response to the notice, the assessee has stated that ITR filed for the A.Y. 2011-12 on 21.11.2011 vide acknowledgement No.3981 may be treated as ITR filed in response to notice u/s 148 of the Act. Later on, various statutory notices u/s 143(2) and 142(1) were issued to the assessee.

4. The assessment has been completed u/s 143(3)/147 of the Act at an income of Rs.8,85,840/- by making addition of Rs.6,00,000/- u/s 69B of the Act on account of deposits and disallowance of Rs.5,242/ on account of donation debited in P&L A/c + addition of Rs. 10,697/-u/s 36(1)(iii) of the Act and addition of Rs. 1,00,000/-on account of alleged expenses.

5. The additions made by the AO are as under:

S.No.	Addition	A.Y. 2010-11	A.Y. 2011-12
1.	u/s 69B	24,00,000	6,00,000
2.	House hold expenses	1,00,000	1,00,000
3.	Dharmada expenses	22,451	5,242
4.	Notional interest	39,690	10,697

6. The assessee has not replied fully before the Assessing Officer. The assessee has also not complied for the notices issued with regard to the remand report. The appeal before the Tribunal has been filed on 27.02.2020. Even before Tribunal, the assessee has not complied to the notices issued on 18.07.2022, 13.10.2022, 13.02.2024, 30.07.2024 and on the other occasions filed adjournments, hence, it was decided to adjudicate the matter based on the material available on record. On going through the issues, we are unable to support the order of the authorities below on the issue of Dharmada expenses and notional interest. The additions made on account of these expenses only are directed to be deleted.

7. In the result, the appeals of the assessee are partly allowed.

Order Pronounced in the Open Court on 06/09/2024.

Sd/-
(Sudhir Kumar)
Judicial Member

Sd/-
(Dr. B. R. R. Kumar)
Accountant Member

Dated: 06/09/2024

Subodh Kumar, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR