

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "H": NEW DELHI
BEFORE SHRI SAKTIJIT DEY, HON'BLE VICE PRESIDENT
AND
SHRI M. BALAGANESH, ACCOUNTANT MEMBER**

**ITA No. 3726/Del/2023
(Assessment Year: 2017-18)**

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| Varun Verma, 94, Ground Floor, Niti Khand-2, Indirapuram, Ghaziabad (Appellant) PAN:AECPV6526N | Vs. ITO, Ward-2(2)(5), Ghaziabad (Respondent) |
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|---------------|-------------------------|
| Assessee by : | None |
| Revenue by: | Shri Amit Katoch, Sr DR |

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| Date of Hearing | 21/10/2024 |
| Date of pronouncement | 23/10/2024 |

O R D E R

PER M. BALAGANESH, A. M.:

1. The appeal in ITA No.3726/Del/2023 for AY 2017-18, arises out of the order of the National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'Id. NFAC', in short] in Appeal No. ITBA/NFAC/S/250/2023-24/1057502994(1) dated 30.10.2023 against the order of assessment passed u/s 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') dated 14.12.2019 by the Assessing Officer, ITO, Ward-2(2)(5), New Delhi (hereinafter referred to as 'Id. AO').

2. None appeared on behalf of the assessee despite issuance of notice. In fact, on earlier occasion, there was representation on behalf of the assessee seeking adjournment. However, when the case was called today, none appeared on behalf of the assessee and no request for adjournment was placed on record. Hence, we proceed to dispose of this appeal by hearing the Id DR and based on materials available on record. We find that the order of the Id NFAC was passed

ex parte as the assessee had sought an adjournment on 04.09.2023 before Id NFAC and thereafter it was submitted that the assessee had not heard anything from NFAC. In the assessment, the Id AO made an addition of Rs. 66,78,900/- representing the cash deposit made during demonetization period. It was submitted in the pleadings before the Id NFAC that the said cash deposits were sourced out of business receipts of the assessee and further, there was some discrepancy in the figure of cash deposits noted by the Id AO. However, since there was no representation by the assessee before both the authorities, the pleadings of the assessee could not be properly placed on record and appreciated by the lower authorities. Even before us, there was no representation from the side of the assessee. However, we find that in the interest of substantial justice, the issue in dispute requires to be restored to the file of the Id NFAC for de novo adjudication in accordance with law. Needless to mention that the assessee be given effective opportunity of being heard. The Id NFAC is directed to duly take note on record all the submissions of the assessee and then pass a speaking order on merits disposing of the issue in dispute before it. The assessee is also at liberty to furnish fresh evidences, if any, in support of his contentions. With these observations, the grounds raised by the assessee are allowed for statistical purposes.

3. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 23/10/2024.

-Sd/-
(SAKTIJIT DEY)
VICE PRESIDENT

-Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Dated:23/10/2024
A K Keot

Copy forwarded to

1. Applicant
2. Respondent
3. CIT

4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi