

**IN THE INCOME TAX APPELLATE TRIBUNAL,
MUMBAI BENCH "G", MUMBAI**

**BEFORE SMT. BEENA PILLAI, JUDICIAL MEMBER
AND
SHRI PRABHASH SHANKAR, ACCOUNTANT MEMBER**

**ITA No.1974/M/2024
Assessment Year: 2018-19**

Gulraj Hotels Private Limited 24, Dheeraj Heritage, 3 rd Floor, S.V. Road, Off. Milan Subway, Santacruz(W), Mumbai - 400054 PAN: AACCG7571P	Vs.	Dy. Commissioner Of Income Tax 4(2)(1), Room No. 642, Aayakar Bhavan, M.K. Road, Mumbai - 400020
(Appellant)		(Respondent)

Present for:

Assessee by : None
Revenue by : Shri Bhangapatil P. Ramesh, Sr.AR

Date of Hearing : 29.10.2024
Date of Pronouncement : 19.11.2024

ORDER

Per : Prabhaskar Shankar, Accountant Member:

The present appeal has been filed by the assessee, which emanates from the appellate order passed by the Ld. CIT(A)/National Faceless Appeal Centre (NFAC), Delhi, with regard to the assessment order passed under section 143(3) of the Income Tax Act 1961, (in short 'the Act') for the A.Y. 2018-19.

2. The Assessee has raised following grounds of appeal :

"1. The order dated 26.02.2024 bearing no. TBA/NFAC/S/250/2023-24/1061480862(1) by the CIT(A), National Faceless Appeal Centre, Delhi is arbitrary, against natural justice, unlawful, against the provision of Income Tax Act, 1961 and therefore liable to be quashed.

2. *In the facts and circumstances of the case and in law, the Learned CIT(A) has erred in confirming the addition of Rs. 25,38,206/- on account of bad debts written off.*

3. *In the facts and circumstances of the case and in law, the Learned CIT(A) has erred in confirming the addition of Rs. 20,99,364/- on account of business expenses u/s 37 of the Act.*

4. *In the facts and circumstances of the case and in law, the Learned CIT(A) has erred in confirming the addition of Rs. 66,91,520/- u/s 37 of the Act."*

3. According to the appellate order, the appeal was filed before National Faceless Appeal Centre (NFAC) in terms of Notification No.76 of 2020 in S.O.3296(E) dated 25.09.2020 and in terms of Notification No. 139 of 2021 in S.O. 5429 dated 28.12.2021 issued by the CBDT, New Delhi. It is stated that several opportunities of hearing were allowed to the appellant in the course of appeal proceedings. However, the appellant failed to substantiate his grounds by filing written submissions along with supporting evidence in support of its claim. The appellant was offered various opportunities to furnish written submissions along with the evidences if any however the appellant choose not to file any submissions on any occasion, rather not an iota of evidence was placed before this office. No reasons at all have been adduced as to why the compliance with aforesaid notices could not be made. Despite the number of opportunities were offered as stated above, during the course of assessment or at the appellate proceedings the appellant neither submitted any supporting evidence, nor furnished any explanation in support of its claim. Thus, the primary onus of complying with the notices is that of the appellant. The Assessment order did not warrant any interference. The all grounds are were confirmed and appeal was dismissed on merit as well as non-compliance.

4. We have carefully considered the case. There was no compliance when the case was called for hearing by this Bench. The Ld. Sr. DR supported the action of lower authorities. The Ld. CIT(A) has claimed that



despite notice issued for allowing opportunity of hearing to the assessee during appellate proceedings, there was no compliance. None appeared before him to support the grounds of appeal. No written submission was made either. It was further stated by him that the assessee did not comply with the notices issued by the AO as well. Apparently, in this case, there was no substantive hearing of the case could take place owing to above non compliance.

4.1 Although the assessee did not appear before us also, it is in the fitness of things to allow a last opportunity of hearing to the assessee to explain the matter before lower authorities in the interests of justice and fairplay. During the hearing, the Bench proposed for restoration of the matter to the Ld.CIT(A) for a *de novo* consideration. The Revenue did not vehemently oppose this plea. Thus, in the interest of justice, we deemed it appropriate to allow the appeal for statistical purposes, emphasizing the need for a thorough and compliant adjudication process. The Id. CIT(A) shall give proper and adequate opportunity of being heard to the assessee in accordance with principles of natural justice in the set aside remand proceedings for de novo adjudication of the appeal of the assessee filed before him. Needless to state, the assessee will comply with notices and any details sought by the appellate authority without fail, as it will not be allowed any further opportunity of hearing in case of any further non-compliance.

5. In the result, the above appeal is allowed for statistical purposes.

Order pronounced in the open court on 19/11/2024.

Sd/-

BEENA PILLAI

(न्यायिक सदस्य / JUDICIAL MEMBER)

Sd/-

PRABHASH SHANKAR

(लेखाकार सदस्य / ACCOUNTANT MEMBER)



Place: मुंबई/Mumbai
दिनांक /Date 19.11.2024
Lubhna Shaikh / Steno

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त / CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण DR, ITAT, Mumbai
5. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//
आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण/ ITAT, Bench,
Mumbai.

