

**IN THE INCOME TAX APPELLATE TRIBUNAL
“B” BENCH : BANGALORE**

**BEFORE SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER
AND SHRI KESHAV DUBEY, JUDICIAL MEMBER**

ITA No.1965/Bang/2024
Assessment Year : 2017-18

M/s. N. S. Hotels Pvt. Ltd., 1103, 20 th Cross, 14 th Main Road, 3 rd Sector, HSR Layout, Bengaluru – 560 034. PAN : AACCN 6187 A	Vs.	The Income Tax Officer, Ward – 5(1)(1), Bengaluru.
APPELLANT		RESPONDENT

Assessee by	:	Smt. Jharna B. Harilal, CA.
Revenue by	:	Shri. Subramanian S, JCIT(DR)(ITAT), Bengaluru.

Date of hearing	:	21.11.2024
Date of Pronouncement	:	28.11.2024

ORDER

Per Laxmi Prasad Sahu, Accountant Member

This appeal is filed by the assessee against the Order of the National Faceless Appeal Centre (NFAC) [DIN and Order No.ITBA/NFAC/S/250/2024-25/1067691254(1)] dated 16.08.2024.

2. Briefly stated, the facts of the case are that the assessee filed return of income on 07.11.2016 declaring a loss of Rs.28,04,226/-. The case was selected for scrutiny and statutory notices were issued to the assessee. During the course of assessment proceedings, assessee at the first instance did not respond to the AO’s notice but later responded

only to two notices on 21.11.2019 and 13.12.2019 and submitted partial reply. The AO examined the financial statements as well as other documents submitted and he made four additions towards undisclosed payment of loan of Rs.56,99,273/-, undisclosed payment of loan (short term) of Rs.1,11,77,999/-, disallowance under section 43B of the Act, amounting to Rs.38,99,097/- and cash deposits amounting to Rs.33,50,000/- during the demonetization period.

3. Aggrieved from the above Order, assessee filed appeal before the CIT(A). The learned CIT(A) issued various notices on different dates but the assessee did not respond to any of the notices. Accordingly, he dismissed the appeal of the assessee.

4. Aggrieved from the above Order, assessee filed appeal before the Tribunal.

5. The learned AR submitted that the notices issued by the CIT(A) were never served to the assessee, due to assessee was unable to respond to the notices issued by the CIT(A). She undertook that if a chance is given to the assessee, assessee shall comply with the notices.

6. Learned DR relied on the Orders of the authorities below and objected to the learned AR's plea for grant of opportunity. It was submitted that CIT(A) had issued various notices to the assessee to represent its case, but the assessee did not bother to respond to notices issued.

7. Considering the rival submissions, we note that the case was selected for scrutiny and notice under section 143(2) of the Act was issued on 24.09.2018. Thereafter, another notice under section 142(1) of the Act was issued on 06.02.2019 and it is clear that various opportunities were granted to the assessee to represent its case but not service of hearing notice the case was not represented. Considering the facts and circumstances of the case, in the interest of justice and equity we remit the matter back to the file of AO for considering the issue afresh in light of the above observations. Needless to mention that assessee shall cooperate with the Revenue for early disposal of the case and shall not seek unnecessary adjournment in the matter.

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

Pronounced in the open court on the date mentioned on the caption page.

Sd/-
(KESHAV DUBEY)
JUDICIAL MEMBER

Sd/-
(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Bangalore,
Dated : 28.11.2024.
/NS/*

Copy to:

1. Appellant
2. Respondent
3. Pr.CIT
4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar
ITAT, Bangalore.