

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'F' NEW DELHI**

**BEFORE SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER  
AND  
SHRI VIMAL KUMAR, JUDICIAL MEMBER**

ITA No. 3487/Del/2023  
(Assessment Year : 2013-14)

<b>Vinay Aggarwal</b> Kothi No.2145, Urban Estate, Jind, Haryana-02  <b>PAN : AAZPA 7517 R</b> (Appellant)	Vs.	<b>ITO</b> Urban Estate, Jind Haryana-126 102  (Respondent)
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Assessee by	Shri Sudhir Sahgal, Adv.
Respondent by	Ms. Harpreet Kaur Hansra, Sr. D.R.

Date of Hearing	18.12.2024
Date of Pronouncement	18.12.2024

**ORDER**

**PER VIMAL KUMAR, JM:**

1. The appeal filed by assessee is against the order dated 09.10.2023 of Learned Commissioner of Income Tax (Appeals)-National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'Ld. CIT(A)'] arising out of assessment order dated 29.03.2022 by the NFAC, Delhi (hereinafter referred as 'Ld. AO') under section 147 r.w.s 144 of the Income Tax Act, 1961 [hereinafter referred to as "the Act"] for the Assessment Year 2013-14.

2. Brief facts of case are that assessee did not file Income-tax Return for the year 2013-14. Assessment proceedings under section 147 of the Act were initiated by recording following reasons :

*“The information from NMS of AIMS module of ITBA, the assessee has entered into the following financial transactions:*

<b>Sl. No.</b>	<b>Financial Transaction</b>	<b>Amount (Rs.)</b>
1.	<i>Paid Rs.2,00,000 or more against credit card bills</i>	<i>Rs.6,04,352/-</i>
2.	<i>Deposit in Cash aggregating Rs.2,00,000/- or more, with the banking company (in HDFC Bank, Jind Branch)</i>	<i>Rs.60,00,000/-</i>
3.	<i>TDS Return – other interest (Section 194A)</i>	<i>Rs.31,26,071/-</i>
4.	<i>Deposited cash Rs.10,00,000/- or more a saving bank account (Standard Chartered Bank, Delhi Branch)</i>	<i>Rs.60,00,000/-</i>
	<b>Total</b>	<b>Rs.1,57,30,423/-</b>

3. Approval from authorities under section 151 of the Act was obtained for issuance of notice under section 148 of the Act. Notice under section 148 of the Act dated 31.03.2021 was issued. Notice under section 142(1) dated 23.06.2021 was issued by the ITO, Ward-1, Jind. The assessee did not file return of income in response to notice under section 148 of the Act. Subsequently, the case was assigned to Faceless Assessment Unit under Faceless Assessment Scheme, 2019. In response to the notice, no reply was filed by the assessee. Notice under section 142(1) dated 21.02.2022 along with questionnaire was served on assessee. Assessee filed reply dated

26.02.2022 and requested for adjournment till 14.03.2022. Hearing letter dated 04.03.2022 was issued and one more opportunity for filing reply/submission on or before 11.03.2022 was issued. The assessee failed to comply with the notice. On completion of assessment proceedings, learned AO vide order dated 29.03.2022 made additions of Rs.6,04,352/-, Rs.1,20,00,000/- and Rs.31,26,071/- (total assessed income of Rs. 1,57,30,420/- under section 147 r.w.s 144 r.w.s 144B of the Act [Round off under section 288A of the Act]).

4. Appellant/assessee preferred appeal before the learned CIT(A). Despite several notices, appellant/assessee failed to file return submissions and learned CIT(A) dismissed the appeal vide order dated 09.10.2023.

5. Being aggrieved, appellant/assessee preferred present appeal.

6. Learned Authorized Representative for the assessee/appellant submitted that learned CIT(A) erred in confirming the order of learned AO regarding initiation of the assessment proceedings without complying with the provision of section 147 to section 151 of the Act. Learned CIT(A) erred in not considering the fact that an addition of Rs.6,04,352/- under section 69C r.w.s 115BBE of the Act on account of payments made through credit cards. The learned CIT(A) erred in confirming the addition of Rs.1,20,00,000/- under

section 69A r.w.s 115BBE of the Act treating the deposits in the bank accounts as unexplained money.

7. Learned CIT(A) failed to appreciate that appellant/assessee engaged in the business of resin cloth, Velcro tape since past many years. However, during the earlier A.Y. 2012-13, the assessee suffered huge losses of Rs.68,94,204/- and due to such heavy losses, the assessee suffered from Heart Attack. During the course of assessment proceedings, learned AO issued notice under section 142(1) of the Act on 23.06.2021. In response to which, reply dated 27.09.2021 was filed requesting adjournment as the appellant was out of country. Notices under section 148 of the Act dated 30.03.2021, under section 142(1) of the Act dated 23.06.2021, under section 142(1) of the Act dated 21.02.2022, letter dated 04.03.2022 and show-cause notices dated 17.03.2022 and 26.03.2022 could not be complied with as the assessee was out of India and was not intimated by his Counsel. In the appeal, hearing notices dated 28.08.2023, 15.09.2023 and 22.09.2023 could not be complied with as the notices were never served on assessee's E-mail and the Accountant of assessee did not inform the Counsel of the assessee. Shri Ghanshyam Singhal in an Affidavit dated 16.12.2024 had stated the facts. The assessee may be permitted to assist learned AO.

8. Learned Departmental Representative for the Department of Revenue submitted that despite several notices, assessee failed to assist the departmental authorities.

9. From examination of record in light of aforesaid rival contentions, it is crystal clear that despite repeated notices, the assessee failed to assist the departmental authorities in assessment and appellate proceedings. Appellant/assessee claims that since he was out of India and was not intimated by Accountant about the departmental proceedings. In view of the above material facts and well settled principle of law, in interest of justice, it is considered expedient to restore the matter to the file of the AO for fresh decision in accordance with law.

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

**Order was pronounced in the open court on 18<sup>th</sup> December, 2024**

**Sd/-**  
**(PRADIP KUMAR KEDIA)**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**(VIMAL KUMAR)**  
**JUDICIAL MEMBER**

Dated: 18.12.2024

Copy forwarded to:

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

ASSISTANT REGISTRAR  
ITAT, NEW DELHI