



**IN THE INCOME TAX APPELLATE TRIBUNAL,
RANCHI BENCH, RANCHI**

**BEFORE S/SHRI GEORGE MATHAN, JUDICIAL MEMBER
AND RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER**

ITA No.21/RAN/2023
Assessment Year: 2016-17

ITA No.94/Ran/2023
ASSESSMENT YEAR: 2018-19

Dy.CIT, Jamshedpur	Central Circle,	Vs.	Mahendra Gope, C Block, Qtr No.204, Madhusudan Complex, Mango, Jamshedpur
PAN/GIR No.ACVPg 4361 K			
(Appellant)		..	(Respondent)

Assessee by : ShriV.Jalan, AR
Revenue by : Shri Khub Chand Pandya, Sr DR

Date of Hearing : 10/06/2025
Date of Pronouncement :10/06/2025

ORDER

Per Bench

These are appeals filed by the revenue against the orders of Id CIT(A), Patna-3 dated 26.12.2022 in Appeal No. CIT(A), Jamsedpur/10210/2018-19 for the assessment year 16-17 and order of Id CIT(A), Patna-3 in Appeal

Nio.CIT(A),Patna-3/103423/2017-18 dated 26.2.2023 for assessment year 2018-19.

2. Shri Khub Chand Pandya, Id Sr DR appeared for the revenue and Shri V.Jalan, Id AR appeared for the assessee.

3. In regard to ITA No.21/Ran/23 for the assessment year 2016-17, it was submitted by Id Sr DR that there was a survey on the premises of the assessee on 5,10,2019. In the course of survey, the assessee had admitted the undisclosed income of Rs.1,88,12,008/- on account of discrepancy in the bills and vouchers most-specifically non-verifiable expenses. It was the submission that on appeal, Id CIT(A) estimated the disallowance at 10% of said unverifiable expenses. It was the submission that when Rs.1.88 crores itself was non-verifiable, the disallowance of 10% was not permissible.

4. Id AR submitted that no portion of the expenses are unverifiable and all the expenses can specifically be proved.

5. We have considered the rival submissions. As it is noticed from the assessment order that in the course of survey, the assessee has specifically stated that he has Rs.1.88 crores on account of non-verifiable expenses and now Id AR submits that he is in a position to prove the expenses, in the interest of justice, the issues in this appeal is restored to the file of the AO for readjudication after granting adequate opportunity of hearing. The assessee shall provide the

bills and vouchers of all expenses in respect of the expenses incurred in the impugned assessment year before the AO.

6. In the result, appeal in ITA No.21/Ran/23 stands partly allowed for statistical purposes.

7. In regard to ITA No.94/Ran/23 relevant to assessment year 2018-19, it was submitted by Id Sr DR that the Assessing Officer had made disallowance of the sundry creditors and the unsecured loans. The assessee had not cooperated in the assessment proceedings even though multiple opportunities were given. It was the submission that the Id CIT(A) without considering the non-cooperation of the assessee on presumption basis has deleted the disallowance.

8. Ld AR submitted that the assessee has cooperated in the assessment proceedings and the AO has not asked for any of the details. It was the submission that the Id CIT(A) after appreciating the fact that the AO had not called for details deleted the addition.

9. We have considered the rival submissions. A perusal of the assessment order clearly shows that the AO has categorically admitted that a show cause notice has been issued to the assessee and even that remains un-responded. A perusal of the order of Id CIT(A) shows that the Id CIT(A) has considered the evidences which were not before the AO. This being so, in the interest of justice, the issues in this appeal are restored to the file of the AO for re-adjudication after granting adequate opportunity of hearing to the assessee.

10. In the result, appeal of the revenue in ITA No.94/Ran/23 stands partly allowed for statistical purposes.

Order dictated and pronounced in the open court on 10/06/2025.

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Sd/-
(GEORGE MATHAN)
JUDICIAL MEMBER

Ranchi; Dated 10/06/2025
B.K.Parida, SPS (OS)

Copy of the Order forwarded to :

1. The Appellant :Dy.CIT, Central Circle, Jamshedpur
2. The respondent: Mahendra Gope, C Block, Qtr No.204, Madhusudan Complex, Mango, Jamshedpur
3. The CIT(A)Patna-3
4. Pr.CIT,
5. DR, ITAT,
6. Guard file.
//True Copy//

By order

Sr.Pvt.secretary
ITAT, Ranchi