

**IN THE INCOME TAX APPELLATE TRIBUNAL,
'A' BENCH, KOLKATA**

**Before Shri Duvvuru RL Reddy, Vice-President (KZ)
&
Shri Sanjay Awasthi, Accountant Member**

**I.T.A. No. 492/KOL/2025
Assessment Year: 2018-2019**

***Bahalnagar SKUS Limited,.....Appellant
CA Anup Kumar Sanghai,
Sanghai & Co.,
21, Hemanta Basu Sarani,
2nd Floor, Room No. 204,
Kolkata-700001
[PAN:AABAB5384N]***

-Vs.-

***Income Tax Officer,.....Respondent
Ward-42(1), Murshidabad,
39, R.N. Tagore Road, Berhampore,
Murshidabad-742101, W.B.***

Appearances by:

N o n e, appeared on behalf of the assessee

*Shri Raja Sengupta, CIT, D.R., appeared on behalf of the
Revenue*

Date of concluding the hearing: June 16, 2025

Date of pronouncing the order: June 24, 2025

O R D E R

Per Duvvuru RL Reddy, Vice-President (KZ):-

The present appeal is directed at the instance of assessee against the order of ld. Commissioner of Income Tax (Appeals),

National Faceless Appeal Centre (NFAC), Delhi dated 8th January, 2025 passed for Assessment Year 2018-19.

2. None appeared on behalf of the assessee at the time of hearing. Therefore, we have decided to dispose of the appeal after hearing the ld. Departmental Representative and perusing the material available on record.

3. Brief facts of the case are that the Appellant-assessee filed its return of income digitally on 24.09.2018 declaring an income of Rs.10,160/-. The case was selected for limited scrutiny under CASS. The assessee had withdrawn cash from its accounts of Allahabad Bank amounting to Rs.38,97,90,658/- and Axis Bank Limited amounting to Rs.8,07,90,000/-. Consequently, notice under section 143(2) of the Income Tax Act, 1961 dated 22.09.2019 was served upon the assessee through ITBA Portal. Further notices under section 142(1) of the Act including detailed questionnaire were issued on different dates to the assessee through ITBA Portal. The assessee failed to comply to the notices issued, which shows that it has nothing to substantiate its claim. On perusal of balance-sheet in ITR filed for the relevant assessment year i.e. 2018-19 and immediate previous assessment year i.e. 2017-18, it was noticed that the balance with Allahabad bank and Axis Bank was Rs.2,83,906/- and Rs.1,11,107/- respectively, which means that the assessee did not have that much of huge amount in its bank. Furthermore, the balance sheet and profit & loss accounts of the assessee are also not supporting such huge cash withdrawals as the total liabilities and borrowings

of the assessee are only Rs.2,30,92,500/- and Rs.1,96,56,530/- respectively as on 31.03.2018 and sales made during the year was of Rs.7,02,325/-. Therefore, it is crystal clear that the amount of Rs.38,97,90,658/- credited in its Allahabad Bank account which was subsequently withdrawn by the assessee remains unexplained. Finally, ld. Assessing Officer determined the total income of the assessee at Rs.38,98,00,818/-.

4. On being aggrieved, the assessee preferred an appeal before the ld. CIT(Appeals).

5. The ld. CIT(Appeals) has given several opportunities to the assessee to substantiate its claim, but the appellant neither filed the written submission nor represented the case before the ld. CIT(Appeals). Thereafter the ld. CIT(Appeals) dismissed the appeal *ex-parte* on 8th January, 2025.

6. On being aggrieved, the assessee preferred an appeal before the ITAT.

7. At the outset, ld. D.R. brought to my notice that the assessee did not produce the relevant documents as asked by the ld. Assessing Officer during the assessment proceedings. Therefore, the ld. Assessing Officer passed the assessment order determining the total income of the assessee at Rs.38,98,00,818/-. Thereafter the assessee preferred an appeal before the ld. CIT(Appeals). The ld. CIT(Appeals) has given many opportunities to the assessee and the assessee neither filed written submission nor any evidence

before the Id. CIT(Appeals). He further submitted that before the ITAT, the assessee did not substantiate its claim. Therefore, he pleaded to uphold the order passed by the Id. CIT(Appeals).

8. We have perused the material available on record. Considering the facts and circumstances of the case, we are inclined to set aside the order passed by the Id. CIT(Appeals) in order to meet the principle of natural justice, and remit the matter back to the file of Id. CIT(Appeals) with a direction to provide one more opportunity of being heard to the assessee. At the same breath, we also hereby caution the assessee to promptly co-operate with the proceedings before the Ld. CIT(Appeals) failing which the Ld. CIT(Appeals) shall be at liberty to pass appropriate order in accordance with law and merits based on the materials available on the record. Thus, the grounds raised by the assessee are allowed for statistical purposes.

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

Order pronounced in the open Court on 24/06/2025.

Sd/-
(Sanjay Awasthi)
Accountant Member

Sd/-
(Duvvuru RL Reddy)
Vice-President (KZ)

Kolkata, the 24th day of June, 2025

*Copies to :(1) Bahalnagar SKUS Limited,
CA Anup Kumar Sanghai,
Sanghai & Co.,
21, Hemanta Basu Sarani,
2nd Floor, Room No. 204, Kolkata-700001*

(2) *Income Tax Officer,
Ward-42(1), Murshidabad,
39, R.N. Tagore Road, Berhampore,
Murshidabad-742101, W.B.*

(3) *Commissioner of Income Tax (Appeals),
National Faceless Appeal Centre (NFAC),
Delhi;*

(4) *CIT - ;*

(5) *The Departmental Representative;*

(6) *Guard File*

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By order

*Assistant Registrar,
Income Tax Appellate Tribunal,
Kolkata Benches, Kolkata*

Laha/Sr. P.S.