

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

Before Shri Duvvuru RL Reddy, Vice-President (KZ)

**I.T.A. No. 618/KOL/2025
Assessment Year: 2014-2015**

***Kaushalya Suppliers Private Limited,.....Appellant
Room No. 5, Vinayak Complex, 4th Floor,
55/1A, Strand Road, Kolkata-700006
[PAN:AADCK5565C]***

-Vs.-

***Income Tax Officer,.....Respondent
Ward-7(1), Kolkata,
Aayakar Bhawan,
P-7, Chowringhee Square,
Kolkata-700069***

Appearances by:

N o n e, appeared on behalf of the assessee

*Shri Kallol Mistry, JCIT, Sr. D.R., appeared on behalf of
the Revenue*

Date of concluding the hearing: June 23, 2025

Date of pronouncing the order: July 22, 2025

O R D E R

The present appeal is directed at the instance of assessee against the order of Id. Addl./Joint Commissioner of Income Tax (Appeals), Patna dated 15.01.2025 passed for Assessment Year 2014-2015.

2. The facts in brief are that the assessee is a Private Limited Company, which filed its return of income electronically for the

assessment year 2014-15 on 29.11.2014 declaring total income of Rs.15,02,938/-. The case was selected for scrutiny through CASS. Accordingly, notice under section 143(2) of the Income Tax Act was generated and served on the assessee. In compliance to such notice, ld. A.R. of the assessee appeared and furnished details as called for under section 142(1) of the Income Tax Act. The same were examined and placed on record. In the course of assessment proceedings, it was observed by the ld. Assessing Officer that the assessee had debited Rs.12,90,503/- on account of freight and DO charges paid to Marine Shipping & forwarding (I) Pvt. Limited and Rs.4,96,313/- on account of job work to Shreenath Textiles, Surat, on which the assessee was under obligation to deduct tax at source and therefore, was asked to explain why the same should not be disallowed u/s 40(a)(ia) of the Act. In its written submission filed on 14.12.2016, the assessee stated that TDS was not deducted on freight and D.O. charges paid to shipping companies as the management was advised by its consultant that it is not applicable. The submission of the assessee is considered and found to be frivolous. Hence, the sum of Rs.17,86,816/- (Rs.12,90,503/- plus Rs.4,96,313/-) was disallowed under section 40(a)(ia) of the Act and added back to the total income of the assessee. Finally, the ld. Assessing Officer assessed the total income of the assessee at Rs.32,90,378/-.

3. On being aggrieved, the assessee preferred appeal before the ld. CIT(Appeals). The ld. Addl./JCIT(Appeals) dismissed the appeal of the assessee *ex-parte* as the assessee did not bring on record

any supporting evidence in support of ground raised by it after providing sufficient opportunities.

4. On being aggrieved, the assessee preferred appeal before the ITAT. None appeared on behalf of the assessee at the time of hearing.

5. 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 at the time of assessment proceedings and ld. Addl. /JCIT (Appeals) during the appellate proceedings. The ld. Addl. /JCIT (Appeals) has given many opportunities to the assessee and the assessee neither filed written submission nor any evidence before the Addl. /JCIT (Appeals). He further submitted that before the ITAT, the assessee did not substantiate its claim. Therefore, he pleaded to uphold the orders passed by the revenue authorities.

6. I have heard the Ld. Departmental Representative and perused the material available on record. Considering the facts and circumstances of the case, I am inclined to set aside the order passed by the Addl. /JCIT (Appeals) in order to meet the principle of natural justice, and remit the matter back to the file of ld. Addl. /JCIT (Appeals) with a direction to provide one more opportunity of being heard to the assessee. At the same breath, I also hereby caution the assessee to promptly co-operate with the proceedings before the ld. Addl. /JCIT (Appeals) failing which the Ld. Addl. /JCIT (Appeals) shall be at liberty to pass appropriate order in

accordance with law and merits of the case, based on the materials available on the record. Thus, the grounds raised by the assessee in the appeal are allowed for statistical purposes.

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

Order pronounced in the open Court on 22/07/2025.

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

Kolkata, the 22nd day of July, 2025

*Copies to :(1) Kaushalya Suppliers Private Limited,
Room No. 5, Vinayak Complex, 4th Floor,
55/ 1A, Strand Road, Kolkata-700006*

*(2) Income Tax Officer,
Ward-7(1), Kolkata,
Aayakar Bhawan,
P-7, Chowringhee Square, Kolkata-700069*

*(3) Addl./JCIT(A), Patna;
(4) CIT - , Kolkata;
(5) The Departmental Representative;
(6) Guard File*

TRUE COPY

By order

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

Laha/Sr. P.S.