

**IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH : BANGALORE**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER
AND
SHRI SOUNDARARAJAN K., JUDICIAL MEMBER**

ITA No. 1059/Bang/2025
Assessment Year : 2014-15

M/s. Centech Engineers Pvt. Ltd., 103A, Regency A Wingsec No. 3A, Plot No. 146, Kandivali (W), Mumbai. Maharashtra – 400 067. PAN: AACCC8510E	Vs.	The Assistant Commissioner of Income Tax, Circle – 2(1)(1), Bengaluru.
APPELLANT		RESPONDENT

Assessee by	:	Shri Madhur Kalyan Shetty, Advocate
Revenue by	:	Shri N. Balusamy, JCIT-DR

Date of Hearing	:	17-07-2025
Date of Pronouncement	:	30-07-2025

ORDER

PER SOUNDARARAJAN K., JUDICIAL MEMBER

This is an appeal filed by the assessee challenging the order of the NFAC, Delhi dated 25/03/2024 in respect of the A.Y. 2014-15 and raised the following grounds:

“1. That on the facts and in the circumstances of the case, and in law, the Assistant Commissioner of Income Tax / Commissioner of Income Tax (Appeals) has passed impugned orders, without jurisdiction.

2. That on the facts and in the circumstances, and in law, the Appellate Authorities has not followed the principal of

natural justice and has passed impugned orders without application of mind.”

2. The brief facts of the case are that the assessee is a private limited company and filed their return of income on 30/11/2014. Thereafter the case was selected for limited scrutiny and notices u/s. 143(2) and 142(1) was issued on several dates. The assessee had not responded to the said notices and therefore a show cause notice u/s. 142 was issued. In the said show cause notice, the AO had proposed to disallow the 50% of the expenses debited in the P&L account for lack of supporting evidence and the another expenditure towards the purchases made from Mr. Haresha Pawankumar Chunduru, a shareholder, which was claimed u/s. 40A(2)(b) of the Act. The assessee had not responded to the said show cause notice and therefore the AO had made the best judgment assessment u/s.144 of the Act. As against the said order, the assessee filed an appeal before the Ld.CIT(A). As seen from the order of the Ld.CIT(A), the assessee had not appeared and submitted the documentary evidences in support of their claim and therefore the Ld.CIT(A) had dismissed the appeal by way of a cryptic order. The said order is under challenge before this Tribunal with a delay of 310 days.

3. In support of the said delay, the assessee also filed an application to condone the said delay and in the said application, the assessee explained the reasons for the said delay. The reasons stated by the assessee is that they had approached the various authorities including the CBDT to transfer their matter to the Bombay jurisdiction since their company is situated in Mumbai but not getting any proper remedy from the authorities and thereafter the present appeal was made ready and filed before this Tribunal and sought for to condone the said delay of 310 days.

4. We have considered the reasons stated by the assessee and also the supporting documents to show that the assessee had approached the various authorities including the CBDT for transferring their appeal and therefore we are satisfied that the assessee had valid and sufficient reasons

for not presenting the appeal in time before this Tribunal. We, therefore condone the said delay of 310 days in filing the present appeal before this Tribunal.

5. Now coming to the merits of the case, we have perused the assessment order as well as the order of the Ld.CIT(A).

6. At the time of hearing, the Ld.AR submitted that to the hearing notice issued by the Ld.CIT(A), the assessee had sent replies requesting the transfer of the physical hearing in Mumbai and also through virtual hearing. But the Ld.CIT(A) without considering the said request had decided the appeal ex-parte that too without mentioning about the replies filed by the assessee. The Ld.AR further submitted that because of the jurisdictional issue, the assessee was also not in a position to appear before the AO and therefore the assessment was made u/s. 144 of the Act. In such circumstances, the Ld.AR prayed that the matter may be remitted to the file of the AO so that the issue can be decided on merits.

7. The Ld.DR relied on the orders of the lower authorities and prayed to dismiss the appeal.

8. We have heard the arguments of both sides and perused the materials available on record.

9. As seen from the various communications sent by the assessee that the Ld.CIT(A) had not considered the request made by the assessee and he has not expressed his opinion on the request sent by the assessee but simply decided the appeal on merits and ex-parte. We have also considered the fact that the assessee right from the beginning had raised a plea that the jurisdiction of the assessee falls within the Bombay jurisdiction. In view of the above said confusion, the assessee's submissions that they were not able to appear before the assessing officer as well as before the Ld.CIT(A) could not be completely ignored. Further, it is the case of the assessee that

the books of accounts of the assessee were audited and they are having all the details about the various expenses claimed in their books of accounts.

10. We have also perused the order of the Ld.CIT(A) and we are of the view that the order is not a speaking order and also passed without hearing the assessee.

11. Considering the above facts and circumstances, we are of the view that the order of the AO as well as the Ld.CIT(A) are liable to be set aside and we remit the issue to the file of the AO for making denovo assessment after hearing the assessee.

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

Order pronounced in the open court on 30th July, 2025.

Sd/-
(WASEEM AHMED)
Accountant Member

Sd/-
(SOUNDARARAJAN K.)
Judicial Member

Bangalore,
Dated, the 30th July, 2025.
/MS /

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|---------------|------------------------|
| 1. Appellant | 2. Respondent |
| 3. CIT | 4. DR, ITAT, Bangalore |
| 5. Guard file | 6. CIT(A) |

By order

Assistant Registrar,
ITAT, Bangalore