

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

**BEFORE SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER  
AND  
SHRI SOUNDARARAJAN K., JUDICIAL MEMBER**

<b>ITA No. 165/Bang/2025</b>
<b>Assessment Year : 2021-22</b>

M/s. Sentrise Construction LLP, 2 <sup>nd</sup> Floor, PR Business Centre, Above Croma, Outer Ring Road, Kadubisanahalli, Bangalore – 560 037. <b>PAN: AEAFS6370M</b>	<b>Vs.</b>	The Deputy Commissioner of Income Tax, Circle – 4(1)(1), Bangalore.
<b>APPELLANT</b>		<b>RESPONDENT</b>

Assessee by	:	Ms. Reena Maria, CA
Revenue by	:	Shri R. Rajamanohar, JCIT-DR

Date of Hearing	:	17-07-2025
Date of Pronouncement	:	19-08-2025

**ORDER**

**PER SOUNDARARAJAN K., JUDICIAL MEMBER**

This is an appeal filed by the assessee challenging the order of NFAC, Delhi dated 17/10/2024 in respect of the A.Y. 2021-22.

**2.** The assessee is in the business of construction and filed their return of income on 15/02/2022. The said return was selected for scrutiny through CASS for the reason that there are receipts u/s. 194M and low net profit. Several notices were issued by the AO u/s. 143(2) and 142(1) but the

respondent had responded only to a notice issued on 10/10/2022. In the said reply, the assessee had submitted some details in respect of the queries raised by the AO. After going through the submissions, the AO sent a show cause notice on 09/12/2022 for which the assessee submitted that all their expenditures are genuine and relied on some case laws. Subsequently, the AO issued notice u/s. 133(6) to the various parties to whom the assessee allowed discounts and received replies from five parties. The AO not allowed the spot bookings discount. Insofar as the commission given to the parties, the AO also issued notices u/s. 133(6) but no reply has been received from the said parties. Considering the said facts that no details were made available by the assessee in respect of the said claims of deduction, the AO had disallowed the expenses, commission paid, compensation paid to its employees and the details of professional fees for the services rendered. Therefore the AO had denied the deductions claimed in the P&L account by the assessee and added the said as income and computed the total income in respect of the assessment year under dispute.

**3.** As against the said order, the assessee filed an appeal before the Ld.CIT(A). The Ld.CIT(A) had issued six notices but the assessee had neither responded to the notices nor filed their written submissions. Thereafter the Ld.CIT(A) had decided the appeal ex-parte based on the materials available with him and dismissed the appeal on the ground that the assessee had not substantiated his claim during the assessment proceedings as well as before him. As against the said order, the present appeal has been filed with a delay of 42 days.

**4.** The assessee also filed an application to condone the said delay in which the assessee had explained the delay of 42 days. We have considered the reasons given in the delay condonation application but considering the fact that the assessee is having all the details to show that the disallowance made by the AO is not correct, we are inclined to condone the delay of 42 days in filing the present appeal before this Tribunal and proceeded to decide the appeal.

**5.** At the time of hearing, the Ld.AR submitted that all the details were filed before the AO as well as before the Ld.CIT(A) but unfortunately, the said documents were not properly considered by the authorities and therefore prayed that an opportunity to appear before the Ld.CIT(A) with the required documents, may be granted. Along with the appeal papers, the assessee also filed various documents to show that the denial of deduction under the various heads are not warranted.

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

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

**8.** The AO had passed the assessment order by denying the deductions based on the fact that proper records were not produced to show that the said discounts or commissions or other expenses are genuinely incurred by the assessee during the course of its business. Now before us, the assessee had submitted the various documents to show that the denial made by the AO is not correct. Even though the said documents were made available before us, it was not made available to the Ld.CIT(A) in spite of several notices issued to the assessee.

**9.** In view of the above said facts and also to render substantial justice, we agreed to grant one more opportunity to the assessee to appear before the Ld.CIT(A) and produce the documents in support of their case and claim the deductions. We, therefore set aside the order of the Ld.CIT(A) and remit the issue to its file for deciding the issue afresh after hearing the assessee in accordance with law. We are giving this concession to the assessee on terms that assessee should pay a sum of Rs. 10,000/- to the income tax department by way of cost and produce the receipt before the Ld.CIT(A) at the time of prosecuting the appeal.

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

Order pronounced in the open court on 19<sup>th</sup> August, 2025.

Sd/-  
(LAXMI PRASAD SAHU)  
Accountant Member

Sd/-  
(SOUNDARARAJAN K.)  
Judicial Member

Bangalore,  
Dated, the 19<sup>th</sup> August, 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