

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH “E”, DELHI**

**BEFORE SH. S. RIFAUR RAHMAN, ACCOUNTANT MEMBER  
AND  
SH. SUDHIR KUMAR, JUDICIAL MEMBER**

ITA No.1036/DEL/2025  
Assessment Year: 2020-21

<b>Revelation Unique Retail and Marketing Private Limited 5A/3A, Ansari Road, Daryaganj, Central Delhi- 110002 PAN No.AAICR 9933L</b>	<b>Vs.</b>	<b>ACIT Central Circle-3 Delhi</b>
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>

Appellant by	None
Respondent by	Ms. Amisha S. Gupta CIT DR

Date of hearing:	12/08/2025
Date of Pronouncement:	20/08/2025

**ORDER**

**PER SUDHIR KUMAR, JUDICIAL MEMBER:**

This appeal by the assessee is directed against the order of the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre, Delhi [hereinafter referred to as “CIT(A)”] vide order dated 09.01.2025 pertaining to A.Y. 2020-21 arising out the assessment order dated 10.03.2023 under section 153 read with section 144 of the Income Tax Act,1961, (in short ‘the Act’).

2. The assessee has raised the following grounds in appeal:

1. *That on the facts and circumstances of the case, assessment order passed under Section 153C of the Act as sustained by the Ld. CIT(A) is bad in law, illegal and void ab initio;*

2. *That considering the facts and circumstances of the case and in law, the Ld. CIT(A) grossly erred in not rendering the notice issued under Section 153C and consequent assessment bad in law as the satisfaction note recorded by the Ld. AO is invalid, bad in law and void ab initio;*

3. *That on the facts and circumstances of the case no addition can be made in the absence of any incriminating material found on record;*

4. *That on the facts and circumstances of the case and in law, Ld. CIT(A) grossly erred in sustaining the order of the Ld. AO whereby impugned addition amounting to Rs. 8,36,34,784/- under Section 69A of the Act read with Section 115BBE of the Act was made;*

5. *That on the facts and circumstances of the case and in law, both the additions made tantamount to double jeopardy and have been made without giving any credence to legal principles, justice, equity and fair play;*

6. *That on the facts and circumstances of the case the Ld. Addl. CIT, Central Range1, Delhi has granted approval dated 10.03.2023 in a casual and a mechanical manner, without independently applying its mind before granting the approval;*

7. *That in the facts and circumstances of the case and in law, the order passed by the Ld. CIT(A) and by the Ld. AO is against the principles of natural justice, equity, judicial discipline and fair play;*

8. *That in the facts and circumstances of the case and in law, the Hon'ble CIT(A) grossly erred in upholding the order of Ld. AO in charging interest under Section 234B and Section 234C of the Act; All of the above grounds of appeal are without prejudice and notwithstanding each other. The Appellant craves leave to add,*

*amend, vary, omit or substitute any of the aforesaid grounds of appeal at any time before or at the time of hearing of the appeal. Any consequential relief, to which the Appellant may be entitled under the law in pursuance of the aforesaid grounds of appeal, or otherwise, thus may be granted.*

3. The brief facts of the case are that the assessee has not filed return of income for AY 2020-21. A search and seizure operation action u/s. 132 of the Income-tax Act, 1961 was carried out in the case of Sh. Pranjil Batra Group on 17.08.2020. During the course of the assessment proceedings and on the perusal of seized data / documents in the case of Sh. Pranjil Batra, certain incriminating documents have been found which pertain to the assessee. After going through the contents of those incriminating documents satisfaction was recorded. The jurisdiction of this case was transferred to this office/ charge by centralization order u/s. 127. Thereafter notice u/s. 153C r.w.s. 153 A of the Act was issued to the assessee on 14.01.2022 and was duly served. In response neither the return of income nor any submission was filed by the assessee. Also, a notice u/s. 142(1) of the Act was issued on 31.10.2022. The assessee did not file any response in this regard. The penalty proceedings u/s.271 AAC of the Act in respect of unexplained income is warranted in the case of the assessee and hence are initiated separately.

4. Aggrieved by the order of the AO, the assessee is in appeal before CIT(A), in which CIT(A) has observed as under :-

**8. Findings / Decision:**

8.1 I have examined the grounds of appeal, statement of facts and submissions filed by the appellant as well as the assessment order passed by the AO and facts of the case as available on record. The grounds of appeal raised by the appellant (supra) are decided as under:

8.2 **Grounds No. 1, 2, 3, 3.1, 3.2, 3.3, 4, 8, 9, 10, 11, 12, 13 and 14:** - In all these grounds of appeal raised by the appellant which comprise many general and repetitive grounds of appeal, he has challenged the impugned assessment order passed u/s 153C of the Act on 10.03.2023 on legal grounds. Since all these grounds relate to grounds raised against the impugned assessment order, they are taken up together for adjudication for the sake of brevity and clarity. The appellant has contended that the notice issued u/s 153C of the Act is bad in law and void ab initio.

However, no details or evidence regarding the contention so raised has been brought on record by the appellant during the course of appellate proceedings. The appellant has further stated in ground no. 2 that 'no satisfaction note was recorded prior to issuance of the notice u/s 153C of the Act.' In the very next grounds of appeal no. 3 and 3.1 it states that 'the satisfaction recorded is casual, vague, defective...' and that 'no proper satisfaction has been recorded...' During the course of appellate proceedings, the appellant has failed to reconcile the contradiction inherent in its statements. Merely stating that a satisfaction note is defective as per subjective satisfaction of the appellant does not help the case of such appellant. The case laws based on judgements passed by Hon'ble Courts of the land relied upon by the appellant also do not help its case as it has been unable to show how the facts contained therein are applicable and similar to the facts of its case under consideration. As seen from record, the AO had duly recorded satisfaction note. The appellant also raised a ground that the AO did not share the copy of satisfaction note with the appellant. However, as seen from the assessment order, the

*appellant did not ask for a copy of the satisfaction note. In fact, the assessment had to be completed ex parte due to the non-compliance by the assessee-appellant during assessment proceedings. Hence, the contention of the appellant is not borne out from the facts on record.*

*The appellant's objections with regard to absence of incriminating material is also unsubstantiated. The appellant has further contended that its submissions were not considered during assessment proceedings and that the assessment was made with a pre-conceived notion, which again is an unsubstantiated and subjective contention that is not borne out from facts on record. As a matter of fact, it is seen that the appellant has resorted to raising only uncorroborated and generic legal grounds against the assessment and failed to furnish evidence and arguments on merits of the additions made. Neither return of income (RoI) nor any submission was filed by the appellant during assessment proceedings as seen from the assessment order. In fact, on the contrary, the non-compliant attitude of the appellant during assessment proceedings is evidenced by the penalty levied on him for noncompliance of statutory notice u/s 272A(1)(d) of the Act vide order dated 13.12.2022.*

*The appellant, as seen from the assessment order, failed to discharge its onus of to explain the sources of cash credits in the bank accounts. No ITR was also filed. As for the issue raised by the appellant regarding alleged mechanical approval accorded to the order u/s 153D of the Act, the appellant did not submit any material evidence on the basis of which this ground was raised by him. Notwithstanding the same, from the assessment order, it is noted that the AO obtained approval from the Addl. CIT on 10.03.2023 vide F.No. Addl.CIT/CR-1/153D/2022-23/1554 which is also noted in the order. Reliance is placed on the judgement of Hon'ble Karnataka High Court in the case of Rishabhchand Bhansali v. DCIT 267 ITR 577 wherein it was held that -*

*'4.2 .....thirdly the order passed by the Jt. CIT granting previous approval under the proviso to Section 158BG is in exercise of administrative power on being satisfied that the order of assessment has been made in accordance with the provisions of Chapter XIV-B. The previous approval is purely an internal*

*matter and it does not decide upon any rights of the assessee. The Jt. CIT, while examining the matter under the proviso to Section 158BG does not examine or adjudicate upon the rights or obligations of the assessee, but only considers whether the AO has fulfilled the requirements of Chapter XIV-B....'*

*It appears that the appellant has taken up these grounds in a routine manner without any substance. No merit is thus found in these grounds of appeal which are therefore dismissed.*

**8.3 Grounds No. 5, 6 and 7:** - *In these grounds the appellant has claimed that the AO erred in assessing his total income for the year under consideration at Rs.8,36,34,784/- by making an addition of the said amount u/s 69A of the Act as unexplained money on account of amount credited in its books for the year for which the appellant could offer no satisfactory explanation, while not even having filed any ITR for the year. I have considered the averments of the appellant vis a vis the impugned order and the facts on record. A search and seizure action was carried out on 17.08.2020 in the case of the Pranjil Batra group wherein certain incriminating documents pertaining to the appellant were found. After going through the contents of those incriminating documents satisfaction was recorded.*

*Accordingly satisfaction note was drawn and proceedings under section 153C of the Act carried out. The appellant had made huge deposits, including cash deposits, in its bank accounts but neither filed ITR nor furnished any reply/details to explain the source thereof despite multiple opportunities accorded. Clearly, the appellant failed to discharge the burden cast upon it to explain the source and nature of the deposits, both during assessment and appellate proceedings. To accept the deposits and transactions as explained, the three limbs of identity, genuineness of transactions and creditworthiness ought to have been explained by the appellant which it failed to do. As mentioned above, during the course of appellate proceedings, despite opportunities provided, the appellant has brought forth no details, explanation, facts or corroborative material evidence etc. on record on the merits of the case in support of the grounds of appeal raised by it. In the absence of any details, evidence, corroborative material at the appellate stage to counter the findings and conclusion of the AO, there is no reason to interfere with the assessment order. The addition of Rs. 8,36,34,784/- made by the AO is therefore sustained.*

*These grounds of appeal raised by the appellant are thus found to be devoid of merit and are dismissed.*

*8.4 **Ground No. 15:** In this ground the appellant has contested the charging of interest u/s 234A, 234B and 234C of the Act. It is long settled that levy of interest is mandatory, as per decision of the Hon'ble Apex Court in the case of Anjum Ghaswala (2001) 119 Taxman 352 (SC). In any case, charging of interest under these sections is consequential in nature. Therefore, this ground of appeal is dismissed.*

*8.5 **Ground No. 16:** This ground of appeal relates to initiation of penalty proceedings u/s 271AAC and 270A of the Act and is premature, not requiring any adjudication at this stage. Under provisions of section 246A of the Act, it is only the order imposing penalty which is appealable before the CIT (A). The act of initiation of penalty proceedings by issue of notice is not appealable. In any case, the recording of initiation of penalty proceedings by the AO in the Assessment Order is only the threshold into the commencement of separate penalty proceedings, and no prejudice is caused to the appellant at this stage. This ground is therefore dismissed.*

***9.** In the result, the appeal is **dismissed**.*

5. None present on behalf of the assessee.

6. The Ld. DR relied upon the orders of the authorities below.

7. We have heard the Ld. DR and perused the material on record. We find that it is an admitted fact that despite opportunities granted by Ld. NFAC the assessee did not file his submissions before the authority, for which the appeal was dismissed in non-compliance by the NFAC.

8. Since in the instant case the Ld. NFAC has dismissed the appeal in non-compliance therefore, considering the totality of the facts and circumstances of the case and in the interest of justice, we deem it proper to restore the issue to the file of the Ld. NFAC with a direction to grant one final opportunity to the assessee to substantiate its claim and decide the issue as per fact and law. The assessee is also directed to appear before the Ld. NFAC and co-operate in the proceedings. The grounds raised by the assessee are accordingly 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 20.08.2025.

Sd/-

**(S. RIFAUR RAHMAN)**  
**ACCOUNTANT MEMBER**

Neha, Sr. PS

Date: 20.08.2025

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

**(SUDHIR KUMAR)**  
**(JUDICIAL MEMBER)**

ASSISTANT REGISTRAR  
ITAT DELHI