

**IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH :: COCHIN**

**BEFORE SHRI INTURI RAMA RAO, AM&
SHRI RAHUL CHAUDHARY, JUDICIAL MEMBER**

**ITA No. 578/Coch/2025
Assessment Year: 2020-21**

BeenaVeeriah Reddy, Appellant
M/s. Seematti, K.K. Road,
Kottayam, Kerala-686001
[PAN: ABOPT 2020 Q]

vs.

Deputy Commissioner of Income Tax Respondent
Circle-1 & TPS, Kottayam.

Appellant by: Shri R. Krishnan, CA
Respondent by: Smt. Leena Lal, Sr. DR

Date of Hearing: 22.08.2025
Date of Pronouncement: 26.08.2025

ORDER

Per Inturi Rama Rao, AM:

This is an appeal filed by the assessee directed against the order passed by the learned Commissioner of Income Tax/NFAC, Delhi[for short, 'CIT(A)'] dated 19.06.2025 u/s. 250 of the Income Tax Act, 1961 (for short, 'the Act') for Assessment Year (AY) 2020-21.

2. Brief facts of the case are that appellant is an individual, engaged in the business of retail garments. The return of income for the A.Y. 2020-21 was filed on 15/02/2021 declaring income of Rs. 39,10,54,160/-. Against the said return of income, the assessment was completed by the National Faceless Centre vide order dated

16/09/2022 passed under section 143(3) r.w.s. 144B of the Act at a total income of Rs. 40,09,93,806/-. While doing so, the Assessing Officer (for short, 'AO') made addition by disallowing incentive expenses of Rs. 28,31,118/- for the alleged failure of the appellant to prove the expenditure by leading necessary evidence. Similarly, the AO also made addition of Rs. 47,54,958/- being the expenditure incurred on business promotion for want of evidence on record.

3. Being aggrieved by the assessment order, an appeal was filed before the Ld. CIT(A), who vide impugned order dismissed the appeal for non-prosecution *in limini*.

4. Being aggrieved by the above order of Ld. CIT(A), the appellant is in appeal before this Tribunal. Learned counsel for the appellant submits that appellant could not respond to the hearing notices issued by the NFAC as the hearing notices were not received to the registered email of the appellant. He further submits that the assessment proceedings were taken up in Covid-19 pandemic, therefore proper representation could not be made. In these circumstances, he prayed for remand the matter to the file of AO for fresh adjudication.

5. On the other hand, ld.Sr.DR has no serious objection for remanding the proceedings to the file of AO for fresh assessment in accordance with law.

6. Having heard rival submissions, we are of the considered opinion that having regard to the circumstances which led to passing

of *ex-parte* orders by the lower authorities, it is a fit case to remand the matter back to the file of AO. Accordingly, the matter is restored to the file of AO for fresh assessment in accordance with law after affording a reasonable opportunity of being heard to the Assessee.

7. In the result, appeal filed by the assessee stands partly allowed for statistical purposes.

Order pronounced in open Court on 26th August, 2025.

Sd/-
(RAHUL CHAUDHARY)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 26th August, 2025

vr/-

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar
ITAT, Cochin