

आयकरअपीलीय अधिकरण, जयपुरन्यायपीठ, जयपुर
IN THE INCOME TAX APPELLATE TRIBUNAL,
JAIPUR BENCHES,"A" JAIPUR

डा० एस. सीतालक्ष्मी, न्यायिकसदस्य एवं श्रीराठोडकमलेशजयन्तभाई, लेखा सदस्य के समक्ष
BEFORE: DR. S. SEETHALAKSHMI, JM & SHRI RATHOD KAMLESH JAYANTBHAI, AM

आयकरअपीलसं./ITA No. 858 & 859 /JPR/2025
निर्धारणवर्ष/AssessmentYear : 2016-17 & 2018 -19

M/s. Princes Infra & Development LLP 59-B, Vallabh Nagar, Kota 324 007 (Raj)	बनाम Vs.	ACIT Central Circle Kota
स्थायीलेखा सं./जीआईआरसं./PAN/GIR No.: AARFP 7322F		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओरसे / Assesseeby : Shri Saurav Harsh, Advocate
राजस्व की ओरसे / Revenue by: Shri Gautam Singh Choudhary, JCIT-DR

सुनवाई की तारीख / Date of Hearing : 18/09/2025
उदघोषणा की तारीख / Date of Pronouncement: 10 /10/2025

आदेश / ORDER

PER: DR. S. SEETHALAKSHMI, J.M.

Both these appeals have been filed by the assessee against two different orders of the Id. CIT(A), Udaipur -2 dated 21-10-2024 for the assessment years 2016-17 and 2018-19 respectively raising therein following grounds of appeal.

ITA NO. 858/JPR/2025 - A.Y. 2016-17

"1. That on the facts and circumstances of the case and in law, the Id. CIT(Appeal) has grossly erred in dismissing the appeal on ground of delay without providing opportunity to file an application for condonation of delay in filling appeal, which is against the principal of natural justice and is illegal and bad in law.

2. That on the facts and circumstances of the case and in law, the Id. CIT(Appeal) has grossly erred in not considering the fact that the assessment order was never served upon the assessee appellant and it came to the knowledge of the appellant when they got the copy from the Income-tax department.
3. That on the facts and circumstances of the case and in law, the Id. Assessing Officer has grossly erred in passing ex-parte assessment order under section 144 read with section 153C of the Act without providing sufficient opportunity of being heard, which is against the principal of natural justice and is illegal and bad in law.
4. That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in making additions in the absence of any incriminating materials found during the course of search and the additions are made beyond the search material which is illegal, bad in law and void ab initio.
5. That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in making an addition under section 68 of the Act on account of unsecured loan of Rs.8,10,00,000/- after treating the same as unexplained cash credits.
6. That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in making an addition u/s 68 of the Act on account of partners capital introduced of Rs.10,00,000/- after treating the same as unexplained cash credits.”

ITA NO. 859/JPR/2025 - A.Y. 2018-19

- “1. That on the facts and circumstances of the case and in law, the id. CIT(Appeal) has grossly erred in dismissing the appeal on ground of delay without providing opportunity to file an application for condonation of delay in filling appeal, which is against the principal of natural justice and is illegal and bad in law.
2. That on the facts and circumstances of the case and in law, the Id. CIT(Appeal) has grossly erred in not considering the fact that the assessment order was never served upon the assessee appellant and it came to the knowledge of the appellant when they got the copy from the Income-tax department.
3. That on the facts and circumstances of the case and in law, the id. Assessing Officer has grossly erred in passing ex-parte assessment order under section 144 read with section 153B(1)(b) of the Act without providing sufficient opportunity of

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4. That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in making additions in the absence of any incriminating materials found during the course of search and the additions are made beyond the search material which is illegal, bad in law and void ab initio.

5. That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in making an addition of Rs. 10,90,73,795/- under section 56(2)(X) of the Act on account difference between DLC rate and Purchase amount of the property purchased by the assessee appellant during the year under consideration.

6. That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in disallowing total expenses of Rs. 66,48,590/- claimed by the assessee in the profit and loss account and made addition thereof.

7 That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in making an addition of Rs. 3,76,70,000/- under section 68 of the Act after treating unsecured loans as unexplained cash credits.

8. That on the law and in the facts and in the circumstances of the case the learned Assessing Officer grossly erred in making an addition of Rs. 15,51,935/- after disallowing the provisions and liabilities shown by the assessee appellant.”

2.1 At the outset of hearing of hearing both the appeals of the assessee, the Bench noticed that there is delay of 147 days in respective appeals for which the assessee has filed applications dated 01-08-2025 for condonation of delay in filing the respective appeals. The prayers as made by the assessee as to condonation of delay in both the appeals are similar and thus contents mentioned in the condonaton application for the assessment year 2016-17 are reproduced hereunder for the sake of convenience and brevity of the case.

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"In the matter of appeal of M/s PRINCESS INFRA & DEVELOPMENT LLP, Kota, 59-5, VALLABH NAGAR, KOTA for the Assessment Year 2016-17. PAN AARFP7322F Application for condonation of delay u/s 253(5) of the Income Tax Act, 1961 read with section 5 of Limitation Act in filling of appeal

Hon'ble Sir (s)

The humble assessee appellant applicant respectfully prays for the condonation of delay in the filling of appeal for the following reason

1 That the Id. CIT (Appeals) passed his order on 21.10.2024 and the same was uploaded on the income Tax portal of the assessee appellant and copy of the same was the Email of the assessee.

2 That the assessee appellant humbly submits that although the relevant emails and communications were received within the prescribed time, due to unforeseen and unavoidable health issues with partner of the assessee appellant, the applicant was unable to attend to or act upon them promptly. The partner of the appellant firm was under medical care for a significant duration, which severely restricted regular functioning and correspondence. As a result, the delay in taking necessary legal steps was neither intentional nor due to negligence, but solely due to genuine medical constraints beyond the petitioner's control.

3. Furthermore, during the said period, the appellant was also facing significant personal and logistical challenges, including restricted mobility, mental stress, and absence of access to adequate legal assistance. These cumulative factors created practical impediments in reviewing and responding to the communication in a timely manner. The appellant assures this Hon'ble Authority that the delay is neither deliberate nor motivated, and respectfully seeks a condonation of delay in the interest of justice and fair opportunity

4. That subsequently the impugned order came to the knowledge of the assessee appellant. Thereafter, the assessee appellant contacted Shri Siddharth Ranka, Advocate to file appeal against the order dated 21.10.2024. On his opinion, without any further delay, at the first opportunity, the assessee with the help of his counsel has filed this appeal before the Hon'ble Income Tax Appellate Tribunal, Jaipur Bench, Jaipur with delay.

5. An Affidavit duly sworn in this regard is also enclosed herewith.

With this background, we request your honour to take stock of the situation in totality, take a lenient and human approach towards the humble assessee appellant as the delay was not intentional and lack of understanding of the income tax proceedings. The assessee appellant applicant shall be more vigilant about is obligation in future.

That in these circumstances we request your honour's to kindly condone the delay and oblige.”

The assessee to support the applications for condonation of delay has filed the medical report of Mahatma Gandhi Medical College & Hospital, Jaipur dated 15-06-2024 and also the Medical Treatment from Dr. Yashvasvi Gautam dated 27-06-2024, 08-05-2024, 24-08-2024, 19-02-2024 and 24-02-2025 regarding his sickness treatment.

2.2 On the other hand, the Id. DR did not object to the submissions as made the Id. AR of the assessee on such delay in filing the appeals and submitted that the Court may decide the issue as deemed fit and proper in the case of the assessee.

2.3 After hearing both the parties and perusing the materials available on record, the Bench noted that there is sufficient case in late filing the appeals (supra) by the assessee. Hence, in this view of the matter, the delay so made by the assessee in filing the appeals by the assessee is condoned.

3.1 Now we take up both the appeals of the assessee for adjudication.

3.2 Apropos to the grounds of appeal of the assessee in ITA No.858/JJPR/2025 for the assessment year 2016-17, it is noticed that the Id.CIT(A) has dismissed the appeal of the assessee on the ground of not filing the appeal before him within time provided by the statute. The

narration so made by the Id.CIT(A) in his order from para 4 to para 10 is reproduced as under:-

"4. The brief facts of the case are that the appellant M/s Princess Infra & Development LLP, 59-B, Vallabh Nagar, Kota it's an Firm. The Appellant is a Firm derives income from business during the year under consideration. A search & seizure operation under section 132(1) of the Income-tax Act, 1961 (hereinafter the Act) was Carried out on 07.09.2017 at the various premises of "Resonance Group, Kota," to which the appellant belongs Cash, Jewellery and other documents found and seized from some persons residence and business premise. The case of the appellant was also covered under search proceeding. Consequent to search action, the case of the appellant was centralized to Central Circle-Kota by Pr. Commissioner of Income-tax, Kota. Appellant firm has earlier filed its return u/s 139(1) of the Act on 31.03.2017 at the total income of Rs. NIL Notice u/s 142(1) of Act was issued by the AO on 28.11.2019 which was duly served.

Assessment order u/s 144 r.w.s 153C of Income Tax Act, 1961 was passed by the AO at assessed income of Rs. 8,20,00,000/- on 27.12.2019 after making addition of Rs. 8,20,00,000/- on account of Unsecured loans and capital

Aggrieved by the aforesaid addition the appellant has preferred the present appeal.

5. Ground No. 1 of appeal relates to passing ex-parte assessment order under section 144 read with section 153C of the Act.

5.1 At the time of passing of assessment order u/s 144 r.w.s 153C of the Income tax Act, 1961 the AO has briefly stated relevant facts and some of excerpts are reproduced as under-

"A search & seizure operation under section 132(1) of the Income-tax Act, 1961 (hereinafter "The Act) was carried out t on 07.09.2017 at the various

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Therefore, notice os 1530 was issued to the assessee on 27.09.2019, after recording satisfaction note on dated 24.09 2019. The assessee was centralized to Central Circle-Kota by the Princopal Commissioner of Income-tax, Kota vide his order No PrCITATO(Tech)/KTA/S. 127/2018-19/1565 dated 14. 08. 2018

2. Assessee is a firm and derives income from business

3. Notice u/s 153C of the LT. Act was issued to the assessee on 27.09.2019, which was duly served to the assessee.

4. Assessee firm has not filed in response to notice u/s 153C. However, assessee firm has earlier filed its return u/s 139(1) of the Act on 31.03.2017 at the total income of Rs. Nil.

5. Further, notice u/s142(1) was issued on 28.11.2019 to assessee requesting to file return of income. However no reply has been filed by the assessee bill date

6 Finally a show cause notice was issued to the assessee on 10 12.2019 asking why your case should not be finalized a/s 144 of the IT Act based on information available on record. No response has been received till today. Therefore, there is no other option available than to pass order u/s 144 of the IT Act"

5.2 During the appellate proceedings the A/R of the appellant filed written submissions dated on 16.10.2024. The same are reproduced as under:

The above noted appeals are fitting of write for today in this regant we wish to submitthat:-

1. Vide Finance Act 2024, an amendment brought in sub-section (1) in clause (a) of section 251 of the Income-tax Act 1961, the following provisio has been inserted with effect for the 1st day of October 2024 namely

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“Provided that where such appeal is against an order of assessment made under section 144, he may set aside the assessment and refer the case back to the Assessing Officer for making a fresh assessment

The aforesaid newly inserted provision has extended the power of CIT (Appeals) to set aside the Ex-parte assessment order passed under section 144 of the Act

3. That in the present case also the Id. Assessing Officer passed Ex-parte assessment vide order dated 27.12.2019 under section 144 of the Act hence the aforesaid proviso of section 251(1)(a) of the Act is applicable in the instant case also. We are enclosing herewith an order passed by a CIT (Appeals) NFAC following the similar provision.

It is therefore, most humbly requested to kindly set aside assessment order dated 27.12.2019 and refer the case back to assessing officer for making a fresh assessment and oblige.”

6. Ground No. 2 of appeal relates to addition made in absence of any incriminating material.

6.1 The submissions of the appellant during the appellate proceedings are reproduced as under:

“The appellant has stated relevant facts of the case is already reproduced in foregoing para 5.2 Therefore the same is not reproduong here for the sake of brevity.”

7. Ground No. 3 and 4 of appeal relates to addition under section 68 of the Act on account of unsecured loan of Rs. 8,10,00,000/- and partners capital introduced of Rs. 10,00,000/- after treating the same as unexplained cash credits

7.1 At the time of passing of assessment order u/s 144 r.wis 153C of the Income tax Act, 1961 the AO has briefly stated relevant facts and some of excerpts are reproduced as under-

“7. The assessee firm was incorporated on 18:09 2015 i.e. in FY 2015-16, AY 2016-17. As per information available, the assessee firm has partner's capital at Rs. 10,00,000/- and unsecured loans from others at Rs.8,10,00,000/- as on31.03.2016. The assessee firm was asked vide show cause dated 28.11.2019 to submit its reply and asking why its case should not be finalized u/s 144 basedon the information available with the department. However no response hasbeen received. Another show

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cause was issued to the assessee firm vide notice dated 10.12.2019 specifically asking about the capital introduced and unsecured loans and asking why the amount in total Rs. 8,20,00,000/- shouldnot be added in its total income u/s 68 of the IT Act in absence of any information and evidences. No reply/response has been received till date. Therefore, the credential of the capital introduced and unsecured loans as mentioned in the Balance sheet in ITR filed is not verified hence added to the total income of the assessee firm treated as unexplained cash credit u/s 68 of the IT Act and tax is levied as per section 1158BE of the Act."

7.2 The submissions of the appellant during the appellate proceedings are reproduced as under:

"The appellant has stated relevant facts of the case is already reproduced in foregoing para 5.2. Therefore the same is not reproducing here for the sake of brevity."

8. The last Ground of Appeal is that the appellant craves leave to add, alter modify or amend any ground on or before the date of hearing

8.1 The appellant has not added, altered, modified or amended any of the abovementioned grounds of appeal on or before the date of hearing. Accordingly such mention by the appellant in its ground is treated as general in nature, no needing any specific adjudication and is accordingly treated as **disposed of**.

9. The appellant stated that this appeal is against an order of assessment made under section 144 therefore the assessment order may set aside and refer the case back to the Assessing Officer for making a fresh assessment.

The request made by the appellant is not found to be acceptable as the appeal is not admitted because the appeal is not filed within the time provided by the statute as discussed in para 2.3 of this order

10. In the result, the appeal of the appellant is treated as dismissed without admission as discussed in para 2.3 of this order."

3.3 Apropos to the grounds of appeal of the assessee in ITA No.859/JP/2025 for the assessment year 2018-19, it is noticed that the Id.CIT(A) has dismissed the appeal of the assessee on the ground of not filing the appeal before him within time provided by the statute. The narration so made by the Id.CIT(A) in his order from para 4 to para 13 is reproduced as under:-

"4. The brief facts of the case are that the appellant Mis Princess Infra & Development LLP 59-B, Vallabh Nagar, Kota is a firm. The Appellant Firm derives income from infrastructure/construction business during the year under consideration. A search & seizure operation under section 132(1) of the Income-tax Act, 1961 (hereinafter "the Act") was carried out on 07.09.2017 at the various premises of "Resonance Group, Kota," to which the appellant belongs. Cash, Jewellery and other documents found and seized from some persons' residence and business premises. The case of the appellant was also covered under search proceedings. Consequently to search action, the case of the appellant was centralized to Central Circle-Kota by Pr Commissioner of Income-tax, Kota. Appellant firm has filed its return u/s 139(1) of the Act on 29.10.2018 at NIL income and revised return on 30.03.2019 at the total income of Rs. Nil. Notice u/s 143(2) of the Act was issued by the AO on 27.09.2019 which was duly served. Further, notice under sub-section (1) of Section 142 of the Act was issued by the AO on 28.11.2019 along with questionnaire/Annexure-A requiring certain details/information, which was served upon the appellant.

Assessment order u/s 143(3) r.w.s 1538(1)(b) of Income Tax Act, 1961 was passed by the AO at assessed income of Rs. 15,09,04,420/- on 27.12.2019 after making addition of Rs. 10,90,73,795/- on account of Difference of DLC rate, addition of Rs. 66,48,590/- on account of Expenses disallowed, addition of

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Rs.3.76.70,000/-on account of Unsecured loans and addition of
Rs. 15,51,935/-on account of Current liability disallowance

Aggrieved by the aforesaid addition the appellant has preferred the present appeal.

5. Ground No. 1 of appeal relates to passing ex-parte assessment order under section 144 read with section 153B(1)(b) of the Act.

5.1 At the time of passing of assessment order u/s 144r w.s 153B(1)(b) of the Income tax Act, 1961 the AO has briefly stated relevant facts and some of excerpts are reproduced as under:-

"A search & seizure operation under section 132(1) of the Income-tax Act, 1961 (hereinafter "The Act") was carried out on 07.09.2017 at the various premises of "Resonance Group, Kota" to which the assessee belongs. A number of persons/premises covered u/s 132 of the I.T Act, 1961. Cash, jewellery and other documents found and seized from some persons residence and business premise. Some documents/information were found having regard to the transaction carried out with the assessee or having effect on the total income of the assessee from the premises of other assessee covered under search and survey proceeding carmed out by the department.

Therefore, notice u/s 143(2) was issued to the assessee on 27.09.2019, after recording satisfaction note on dated 24.09.2019. The assessee was centralized to Central Circle-Kota by the Principal Commissioner of Income-tax, Kota vide his order No. Pr CITATO(Tech)/KTA/S, 127/2018-19/1565 dated 14.08.2018.

2. Assessee is a firm and derives income from infrastructure/construction business

3. Assessee firm has filed its return u/s 139(1) of the Act on 29.10.2018 at NIL income and revised return on 30.03.2019 at the total income of Rs. Nil.

4. Notice u/s 143(2) of the IT Act was issued to the assessee on 27.09.2019, which was duly served to the assessee.

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5. Further, notice under sub section (1) of Section 142 of the Act was issued on 28.11.2019 along with questionnaire/Annexure-A requiring certain details/information, which was served upon the assessee. However no reply has been filed by the assessee till date.

6. Finally a show cause notice was issued to the assessee on 10.12.2019 asking why your case should not be finalized u/s 144 of the IT Act, based on information available on record. No response has been received till today. Therefore, there is no other option available than to pass order u/s 144 of the IT Act"

5.2 During the appellate proceedings the A/R of the appellant filed written submissions dated on 16.10.2024. The same are reproduced as under:

"The above noted appeals are fived for filling of written submissions for today, in the repard we wish to submit that

1. Vide Finance Act 2024, an amendment brought in sub-section (1) inclause of section 251 of theIncomes Act, 1961, the following proviso has been inserted with effect from the 1st day of October. 2024 namely:-

Provided that where such appeal it against an order of assessment made under section 144, he may set aside the assessment and refer the case back to the Assessing Officer for making a fresh assessment

2. The aforesaid newly inserted provision has extended the power of CIT(Appeals to set aside the Ex parteassessment order passed under section 144 of the Act

3. That in the present case also the Id. Assessing Officer passed Ex-parte assessment vide order dated 27.12.2019 under section 144 of the Act. hence the aforesaid proviso of section 251(1)(a) of the Act is applicable in the instant case also. We are enclosing herewith an order passed by a CIT(Appeals), NFACfollowingthe similar provision

It is therefore, most humbly requested to kindly set aside the assessment order dated 27.12.2019 and refer the case Back to assessing officer for making a fresh assessment and oblige."

6. Ground No. 2 of appeal relates to addition made in absence of any incriminating material.

6.1 The submissions of the appellant during the appellate proceedings are reproduced as under:

"The appellant has stated relevant facts of the case is already reproduced in foregoing para 5.2 .Therefore the same is not reproducing here for the sake of brevity."

7. Ground No. 3 of appeal relates to addition of Rs. 10,90,73,795/- under section 56(2)(X) of the Act on account difference between DLC rate

7.1 At the time of passing of assessment order u/s 143(3) r.w.s 153B(1)(b) of the Income tax Act, 1961 the AO has briefly stated relevant facts and some of excerpts are reproduced as under:-

"17 Difference in DLC rate and Purchase price: During the course of search proceedings in the case of Shri Upendra Kumar Soni at the premise D-19, Gumanpura, Kota some documents were found and seized as per Pages 1 to 15 of Exhibit-7 are sale deed of Om Cineplex, Kota Princess Infra and Development LLP through partner Sh. Upendra Kumar Soni has purchased acommercial plot No special 11 vake Indira Vihar Housing Colony, Kota described in the sale deed as Om Cineplex/Commercial Complex from Om Metals Infra Projects Ltd in June 2017 The details are given as under:-

S.N.	Date of transaction	Property detail/Name of seller	Purchase price	Stamp value	Difference
1.	29-06-2017	Om Cineplex/ Commercial Complex, Plot No. Special 11, Vake Indira Vihar Housing Colony, Kota	18,00,00,000	28,90,73,795/-	10,90,73,795/-

The stamp value of above mentioned commercial complex has been valued Rs 28,90,73,795 by stamp valuation authority. The assessee firm has paid Rs. 18,00,00,000/- for a property whose stamp value is Rs. 28,90,73,795, therefore the assessee has earned Rs. 10,90,73.795/- by virtue of section56(2)(x) of the IT Act

The assessee firm was asked vide show cause notice dated 10.12.2019 why the difference of Rs. 10,90,73,795 should not be added to its total income us 56(2)(x) of the IT Act for AY 2018-19 The assessee was asked to submit reply on or before 13.12.2019

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However, no response has been received till date and therefore, it is considered that the assessee has nothing to say about this issue. Therefore, the difference between purchase price and DLC rate of Rs 10,90,73,795 as discussed is added to the total income of the assessee firm for AY 2018-19 as per provisions of section 56(2)(x) of the IT Act."

7.2 The submissions of the appellant during the appellate proceedings are reproduced as under:

The appellant has stated relevant facts of the case is already reproduced in foregoing para 5.2 .Therefore the same is not reproducing here for the sake of brevity."

8. Ground No. 4 of appeal relates to disallowing total expenses of Rs. 66,48,590/- claimed by the assessee in the profit and loss account

8.1 At the time of passing of assessment order u/s 143(3) r.w.s 153B(1)(b) of the Income tax Act, 1961 the AO has briefly stated relevant facts and some of excerpts are reproduced as under:-

"8. Expenses not explained. As per the information available, the assessee firm has shown total credit to P&L account at Rs. 26,08,691/- and claimed expenses including depreciation and interest payment at Rs. 66,48,590/- Thereby the assessee firm has shown loss of Rs. 40,39,899

The assessee firm was asked vide show cause notice dated 10.12.2019 why the expenses of Rs 66,48,590 should not disallowed and added to its total income in absence of any documentary evidences. The assessee was asked to submit reply on or before 13.12.2019.

However, no response has been received till date and therefore, it is considered that the assessee has nothing to say about this issue. Therefore, the expenses claimed by the assessee firm at Rs. 66,48,590/- is disallowed and added to the total income of the assessee firm as its business income."

8.2 The submissions of the appellant during the appellate proceedings are reproduced as under:-

"The appellant has stated relevant facts of the case is already reproduced in foregoing para 5.2 .Therefore the same is not reproducing here for the sake of brevity."

9. Ground No. 5 of appeal relates to addition of Rs. 3,76,70,000/- under section 68 of the Act after treating unsecured loans as unexplained cash credits

9.1 At the time of passing of assessment order u/s 143(3) rws 1538(1)(b) of the Income tax Act, 1961 the AO has briefly stated relevant facts and some of excerpts are reproduced as under:-

"9. Unsecured loans As per the information available, the assessee firm has shown unsecured loans of Rs. 11,86,70,000/- whereas in the FY 2016-17, the assessee firm has shown unsecured loans of Rs 8,10,00,000/- Thus there is increase of Rs 3,76,70,000/- in unsecured loans during the year.

The assessee firm was asked vide show cause notice dated 10.12.2019 why the unsecured loans of Rs. 3,76,70,000/- should not be added in its total income treated as unexplained cash credit as per provisions of section 68 of the IT Act in absence of any information and evidences. The assessee was asked to submit reply on or before 13. 12. 2019

However, no response has been received till date and therefore, it is considered that the assessee has nothing to say about this issue Therefore the increase in unsecured loans of Rs. 3,76,70,000/- is added to the total income of the assessee firm treated as unexplained cash credit u/s 68 of the IT Act and tax is charged as per provisions of section 115BE of the IT Act."

9.2 The submissions of the appellant during the appellate proceedings are reproduced as under:-

"The appellant has stated relevant facts of the case is already reproduced in foregoing para 5.2 .Therefore the same is not reproducing here for the sake of brevity."

10. Ground No. 6 of appeal relates to addition of Rs. 15,51,935/- after disallowing the provisions and liabilities shown by the assessee.

10.1 At the time of passing of assessment order u/s 143(3) rws 1538(1)(b) of the Income tax Act 1961 the AO has briefly stated relevant facts and some of excerpts are reproduced as under:-

"10 Disallowance of provisions and liability. As per the information available, the assessee firm has shown current liability and provisions at Rs 15,51,935/-. The assessee firm was asked vide show cause notice dated 10.12. 2019 why the current liability and provisions of Rs 15,51,935/- should not be added in its total income treated as unverified in absence of any information and evidences. The assessee was asked to submit reply on or before 13.12. 2019.

However, no response has been received till date and therefore, it is considered that the assessee has nothing to say about this issue. Therefore provision of current liability at Rs 15,51,935/- is considered as unverified income and added to the total income of the assessee firm."

10.2 The submissions of the appellant during the appellate proceedings are reproduced as under:-

"The appellant has stated relevant facts of the case is already reproduced in foregoing para 5.2 .Therefore the same is not reproducing here for the sake of brevity."

11. The last Ground of Appeal is that the appellant craves leave to add, alter, modify or amend any ground on or before the date of hearing.

11.1 The appellant has not added, altered, modified or amended any of the above mentioned grounds of appeal on or before the date of hearing. Accordingly such mention by the appellant in its ground is treated as general in nature, no needing any specific adjudication and is accordingly treated as disposed of.

12. The appellant stated that this appeal is against an order of assessment made under section 144 therefore the assessment order may set aside and refer the case back to the Assessing Officer for making a fresh assessment.

The request made by the appellant is not found to be acceptable as the appeal is not admitted because the appeal is not filed within the time provided by the statute as discussed in para 2.3 of this order.

13. In the result, the appeal of the appellant is treated as dismissed without admission as discussed in para 2.3 of this order.”

3.4 During the course of hearing of both the appeals, the main grievance of the Id.AR of the assessee is that the Id. CIT(A) has dismissed the appeals of the on the ground of delay without providing an opportunity to file an application for condonation of delay which is against the principles of natural justice and also submitted that the AO had passed ex-parte orders [i.e. u/s 144 read with Section 153C and other u/s 144 r.w.s. 153B(1)(b) in the respective appeals] without providing sufficient opportunity of being heard to the assessee and thus both the appeals may kindly be restored to the file of the AO for afresh adjudication by providing one more opportunity of being heard to the assessee.

3.5 On the other hand, the Id. DR supported the orders of the lower authorities and further vide letter No. CIT(DR-1)ITAT/JPR2025-26/698 dated 18-09-2025 filed the comments / report received from DCIT, Central Circle, Kota as to ITA Nos. 858 & 859/JPR/2025, for consideration. The report obtained from Shri D.S. Meena DCIT, Central Circle-Kota in respect of denial of receipt of DAK in the case of M/s. Princess Infra & Development LLP is reproduced as under:-

“(Office of the Dy.Commissioner of Income-tax,Central Circle-Kota)

M/S. PRINCESS INFRA & DEVELOPMENT LLP, KOTA VS ACIT, CENTRAL CIRCLE, KOTA
Room No., 212, IIndFloor, C.R. Building, Rawat Bhata Road, Kota

No. DCIT/CC-Kota/2025-26/385

Date 07.08.2025

To,
The Commissioner of Income Tax (DR-II)
ITAT, Jaipur
Through: proper channel
Sir,

Subject:- Submission of report in respect of denial of receipt of Dak in the case of M/s Princess Infra & Development LLP, PAN-AARFP7322F for the AY 2018-19-reg

Kindly refer to your office letter no. 570 dated 06/08/2025 on the above mentioned subject

2 In this connection, it is submitted that on perusal of the assessment records of M/s. Princess Intra & Development LLP PAN-AARFP7322F for the AY 2018-19 it is found that the notices u/s 143(2) of the Act was issued electronically on 27/09/2019 but the same was not delivered through mail. Therefore, the notice u/s 143(2) of the Act dated 27/09/2019 was also sent through speed post ER650803015IN dated 30/09/2019 on the returned address of the assessor i.e. 59-B, Vallabh Nagar, Kota. In response to this notice, the assessee submitted his reply in this office on 26/12/2019 (copy enclosed)

3. Further, the notice u/s 142(1) of the Act was issued electronically to the assessee on 28/11/2019, but the same was not delivered through mail. Therefore, the notice u/s 142(1) of the Act was again issued electronically on 10/12/2019 which was also not delivered through mad. Therefore, the said notice u/s 142(1) of the Act dated 10/12/2019 was also sent through speed post No. ER250834075IN dated 11/12/2019 on the returned address of the assessee i.e.59-B. Vallabh Nagar, Kato. The said notice u/s 142(1) of the Act dated 10/12/2019 was returned by the postal department to this office on 12/12/2019 with remarks "लेनेसेइन्कार" (Copy enclosed)

4. Further, the assessment order u/s 143(3) of the Act dated 27/12/2019 as well as computation & demand notice was sent electronically through mail but the same was not delivered through mail. Therefore, the assessment order u/s 143(3) of the Act dated 27/12/2019 as well as computation & demand notice was also sent to the returned address of the assessee i.e. 59-B, Vallabh Nagar, Kota vide speed post no. ER652341806IN dated 30/12/2019. The assessment order u/s 143(3) of the Act dated 27/12/2019 as well as computation & demand notice dated 27/12/2019 was returned by the postal department on 31/12/2019 with remarks ""लेने से इन्कार" (Copy enclosed).

Submitted for kind perusal

Yours faithfully

Sd/-

(D.S. Meena)
Dy. Commissioner of Income Tax,
Central Circle, Kota

Encl:- As above”

3.6 In view of the submissions of the Id. DR, during the course of hearing, the Bench directed the assessee to submit an affidavit relating to non-service of the assessment order.

3.7 In compliance to the order of the Bench, the Id.AR of the assessee vide letter dated 25-09-2025 filed an affidavit of the assessee who has deposed in the affidavit as under:-

AFFIDAVIT FOR NON-SERVICE OF ASSESSMENT ORDER

I, Upendra Kumar Soni son of Shri Gordhan Lal Soni Resident of 19D, New Colony, Gumanpura, Kota hereby affirm as under: -

1. That I am the partner of the assessee appellant firm and assessed to tax vide PAN No.: AFFPS2134B and appellant of the case.
2. That the Id. Assessing Officer passed the impugned order dated 27.12.2019 under section 143(3) of the Act and sent the same through speed post to the assessee's registered address, however the same was not delivered to the assessee appellant and returned back with "Refused" remark.
3. That the assessee appellant LLP firm was incorporated on 10.03.2016 with its registered address at 59-B, Vallabh Nagar, Kota and the same address was mentioned in the appellant's income tax returns. Subsequently, due to loss in its business the assessee appellant has closed its office situated at 59-B, Vallabh Nagar, Kota.

4. That the assessee appellant submits that although the Id. Assessing Officer has rightly sent the notices and assessment order dated 27.12.2019 during the assessment proceedings mentioning assessee's address as per record, however due to shift of the registered office the same got either unserved or returned with "refused" remark by some person not known to the assessee.
5. That the assessee appellant further humbly submits that the assessee appellant is law abiding citizen and always ready to comply with the notices and order passed by the department. The humble assessee seeks sincere apology for earlier submitting the non-delivery of impugned assessment order as this facts also came to the assessee after the Id. CIT appeal seeks report on the service of the order passed by the Id. Assessing officer.
6. The appellant assures this Hon'ble Authority that assessee appellant shall be vigilant for further proceeding and humbly prayed for one more opportunity for the assessment proceeding.

3.8 From the submissions of the affidavit of the assessee, it emerges out as under:-

'3. That the assessee appellant LLP firm was incorporated on 10.03.2016 with its registered address at 59-B, Vallabh Nagar, Kota and the same address was mentioned in the appellant's income tax returns. Subsequently, due to loss in its business the assessee appellant has closed its office situated at 59-B, Vallabh Nagar, Kota.

4. That the assessee appellant submits that although the Id. Assessing Officer has rightly sent the notices and assessment order dated 27.12.2019 during the assessment proceedings mentioning assessee's address as per record, however due to shift of the registered office the same got either unserved or returned with "refused" remark by some person not known to the assessee.

3.9 We have heard both the parties and perused the materials available on record. The Bench noted that it is an admitted fact that the assessee is ex-parte before the AO and also before the Id. Addl. CIT(A) relating to both the appeals. It is also noteworthy to mention that the assessee due to loss in business closed its office situated at 59-B, Vallabh Nagar, Kota and he

did not receive the assessment orders (supra) passed by the AO and thus the delay took place in filing the appeals before the Id.CIT(A). Hence, the assessee could not put forth his defence. It was the bounded duty of the assessee to appear before the statutory authorities as and when called for. It is noticed that various opportunities were provided to the assessee for settling the issue but the assessee remained lethargic and unserious in pursuing his case for which a cost of Rs.5,000/- in each case is imposed upon the assessee which will be deposited by the assessee in the Prime Minister Relief Fund. However, we are of the view that lis between the parties has to be decided on merits so that nobody's rights could be scuttled down without providing opportunity of being heard to the assessee. Hence, the matter is restored to the file of the AO to decide it afresh by providing one more opportunity of hearing, however, the assessee will not seek any adjournment on frivolous ground and remain cooperative during the course of proceedings. Thus the appeals of the assessee for the assessment year 2016-17 and 2018-19 are allowed for statistical purposes.

3.10 Before parting, the Bench makes it clear that its decision to restore both the matters back to the file of the AO shall in no way be construed as having any reflection or expression on the merits of the dispute, which shall be adjudicated by AO independently in accordance with law.

4.0 In the result, both the appeals of the assessee are allowed for statistical purposes as indicated hereinabove.

Order pronounced in the open court on 10/10/2024.

Sd/-

Sd/-

(राठोड कमलेशजयन्तभाई)
(RATHOD KAMLESH JAYANTBHAI)
लेखा सदस्य / Accountant Member

(डॉ.एस.सीतालक्ष्मी)
(Dr. S. Seethalakshmi)
न्यायिकसदस्य / Judicial Member

जयपुर / Jaipur

दिनांक / Dated:- 10/10/2025

*Mishra

आदेश की प्रतिलिपिअग्रेषित / Copy of the order forwarded to:

1. The Appellant- Princess Infra & Development LLP, Kota
2. प्रत्यर्थी / The Respondent- The ACIT, Central Circle, Kota
3. आयकरआयुक्त / The CIT
4. विभागीय प्रतिनिधि, आयकरअपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur
5. गार्डफाईल / Guard File (ITA No.858 & 859/JPR/2025)

आदेशानुसार / By order,

सहायकपंजीकार / Asstt. Registrar