

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DELHI BENCH: 'B' NEW DELHI**

**BEFORE SHRI S RIFAUR RAHMAN, ACCOUNTANT MEMBER
AND SHRI VIMAL KUMAR, JUDICIAL MEMBER**

ITA No. 376/Del/2025
Assessment Year: 2017-18

USB Financial Corporation Ltd., Suit No. 201, H-160, Sector-63 Noida, Uttar Pradesh PIN: 201 301	Vs.	Income Tax Officer, Ward- 1(2)(4), Meerut
PAN :AABCS9381C		
(Appellant)		(Respondent)

Assessee by	Shri Neelkant Khandelwal & Shri Jaind Kumar, Advs.
Department by	Shri Rajesh Kumar Dhanesta, Sr. DR

Date of hearing	28.08.2025
Date of pronouncement	26.11.2025

ORDER

PER VIMAL KUMAR, JUDICIAL MEMBER:

The application for condonation of delay 328 days in filing appeal and appeal are filed by the assessee against order dated 14.12.2023 of Learned Commissioner of Income-Tax(Appeals)/National Faceless Assessment Centre (NFAC), Delhi (hereinafter referred as "Ld. CIT(A)") under Section 250 of the Income Tax Act, 1961 (hereinafter referred as "the Act") arising out of the assessment order dated 19.12.2019 of the Ld. Assessing Officer/Income Tax

Officer, Ward 1(2)(4), Meerut (hereinafter referred as “Ld. AO”) for assessment year 2017-18.

2. The application is supported by Affidavit. In para 3, it is mentioned that appellant came to know about the dismissal of appeal by Ld. CIT(A) only during recovery and penalty proceedings. After receiving part of the record from my earlier representative, who unfortunately left for his native place and could not return due to illness of his grand-mother. Appellant was not aware of period of limitation for filing of appeal. The explanation does not smack of mala fide as appellant has not gained anything. Therefore, application for condonation of delay in filing of 328 days in filing appeal is allowed.

3. Brief facts of the case are that the assessee filed return of income on 21.12.2017 at Rs.5,38,190/-. The case was selected for scrutiny through CASS and notice under Section 143(2) dated 22.09.2018 was issued. Notice under Section 142(1) of the Act dated 02.09.2019 was issued and duly served but the assessee but assessee did not make any compliance. Ld. AO on completion of proceedings vide order dated 19.12.2019 made addition of Rs.1,69,12,500/-.

4. Against order dated 19.12.2019 of Ld. AO, the appellant/assessee preferred appeal before Ld. CIT(A) which was dismissed vide order dated 14.12.2023.

5. Being aggrieved, the appellant/assessee preferred present appeal with following grounds:

“1. The honorable CIT(A) Assessment order dated 14/12/2023 passed u/s 144 is illegal, void, contrary to the law and passed without affording proper/reasonable opportunity of being heard resulting the entire Additions which are suo-motto which is liable to be quashed. Full argument shall be advanced at the time of the hearing.

2. The honorable CIT(A) has erred in law and facts by passing the assessment order dated 14/12/2023 hurried manner, despite having time for affording the appellant a reasonable opportunity of being heard, as appears from the order. Hence, the order is liable to be quashed. Full argument shall be advanced at the time of the hearing.

3. The honorable CIT(A) has erred in law by passing an order u/s 144, without fulfilling the ingredients of Sec. 144. Hence the order is liable to be cancelled. Full argument shall be advanced at the time of the hearing.

4. The honorable CIT(A) has erred on facts and law by making additions of Rs.1,69,12,500/- u/s 68 treating the entire share application money as unexplained its contrary there are no any adverse material on record. Therefore, the additions are liable to be deleted. Full argument will be advanced at the time of the hearing.

5. The honorable CIT(A) has erred on facts and law by making the additions of Rs.1,69,12500/- u/s 68 on the basis of auditors remark that the assessee has not made the compliance with MCA. Therefore the additions are liable to be deleted. Full argument will be and notice at the time of hearing.

6. The honorable CIT(A) has erred in law in by directing for charging Interest u/s 234A, B & C,D. Full argument shall be advanced at the time of the hearing.

7. The honorable CIT(A) has erred in law initiating penalty proceedings u/s 271 AAC(1) of the 1961 Act. Full argument shall be advanced at the time of the hearing.

8. The appellant craves leave to amend, alter or to raise any other ground at the time of hearing.”

6. Learned Authorized Representative for appellant/assessee submitted that Ld. CIT(A) hurriedly dismissed the appeal without affording reasonable opportunity of being heard to the assessee. The matter may be restored to the file of Ld. AO.

7. Learned Authorized Representative for the Department submitted that ample opportunities were granted to the assessed by the learned departmental authorities.

8. From examination of record in light of aforesaid rival contentions, it is crystal clear that the assessee did not comply with notice under Section 142(1) of the Act before the Ld. AO. Ld. AO passed order dated 19.12.2019 under Section 144 of the Act. Ld. CIT(A) had issued three notices dated 12.10.2023, 03.11.2023 and 07.12.2023 but assessee did not respond. The appellant/assessee has prayed for restoration of matter to the file of the Ld. AO.

9. In view of above material facts in the interest of justice, the order of Ld. AO dated 09.12.2019 and order of Ld. CIT(A) dated 14.12.2023 are set aside and the matter is restored to the file of Ld. AO for fresh decision in accordance with law after affording fair and reasonable opportunity of hearing to the assessee.

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

Order pronounced in the open court on 26th November, 2025.

Sd/-

**(S RIFAUR RAHMAN)
ACCOUNTANT MEMBER**

Sd/-

**(VIMAL KUMAR)
JUDICIAL MEMBER**

Dated: 26th November, 2025.
Mohan Lal

Copy forwarded to:

1. Applicant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi