

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

BEFORE SHRI C.N. PRASAD, JUDICIAL MEMBER

**ITA No.8647 to 8651/Del/2025
[Assessment Year: 2013-14 to 2017-18]**

Ocean International D-3, Sector-23-24 Dividing Road, NIT Faridabad PAN No.AABFO2537K	Vs.	ITO Ward -2 (3) Faridabad
Appellant		Respondent

Assessee by	Ms. Raaj Kumari Sohanpal Rawat, CA
Revenue by	Sh. Manoj Kumar, Sr. DR

Date of Hearing	15.01.2026
Date of Pronouncement	28.01.2026

ORDER

PER C.N. PRASAD, JM,

These appeals are filed by the Assessee against different orders of the Ld.Commissioner of Income Tax (Appeals)/NFAC, Delhi [herein after referred as "CIT(A)"] order dated 17.11.2025 for the A.Y. 2013-14 to 2017-18.

2. The assessee has raised following common grounds in all these appeals except for the figures:-

"1. Invalid Reopening u/s 147 The learned CIT(A) erred in law and on facts in upholding the reopening of assess that u/s 147 without appreciating that the AO had no independent 'reason to believe based on tangible material. The reasons were mechanically

borrowed from the Investigation Wing's report without prima facie evidence of escapement of income, rendering the proceedings void ab initio.

2. Violation of Natural Justice at AO Level: The learned CIT(A) erred in confirming the addition without considering that the AO denied natural justice by not providing the full Investigation Wing report, statement of Sh Dalip Kumar, or opportunity for cross-examination.

3. Ex-Parte Dismissal by CIT(A) Erroneous: The learned CIT(A) erred in dismissing the appeal ex-parte u/s 250 without sufficient cause. The non-response to appellate notices was due to ongoing health issues, and Ld. CIT(A) should have remanded the case or provided further opportunity, violating audi alteram partem.

4. Addition on Merits Unsustainable: The learned CIT(A) erred in upholding the disallowance of Rs. 7,95,400/- as bogus purchases without independent evidence beyond the Wing's report. Purchases were genuine, supported by books of account of the appellant, and no sales were disputed. Addition based solely on third-party admission is invalid without corroboration.

5. Excessive Addition - Only Profit Element Taxable: Without prejudice, the learned CIT(A) erred in confirming the full addition of Rs. 7,95,400-instead of restricting it to the profit element. In cases of alleged bogus purchases with undisputed sales, only embedded profit is taxable, as held in various judicial precedents.

6. Interest and Penalty Proceedings Invalid: The learned CIT(A) failed to address that interest u/ss 234A/B/C (Rs. 1,87,364) and initiated penalty u/s 270A are consequential to invalid addition and should be quashed.

7 General Ground: The appellant craves leave to urge additional grounds and prays for costs. All grounds are without prejudice to each other.”

3. The Ld. Counsel for the assessee at the outset submitted that the ld. CIT(A) disposed of the appeals exparte sustaining the additions made by the AO. The Ld. Counsel for the assessee submitted that even the assessment was made

without providing adequate opportunity to the assessee to explain the queries raised on addition made in the assessment order. The Ld. Counsel for the assessee, therefore, submitted that the matter may be restored to the file of the AO for denovo adjudication.

4. On the other hand the Ld. DR has no serious objection in restoring the files to the AO for reexamining of the issues.

5. Heard rival submissions, perused the orders of the authorities below and the material placed before us. On hearing both the parties and perusing the order of the AO as well as CIT(A) order it is observed that in the assessment proceedings, it appears that, the assessee has not provided adequate details and the reason submitted by the ld. Counsel was that the assessee did not receive notices. It is also observed that the Ld. CIT(A) sustained the addition made by the AO in the absence of any submissions before him. Therefore, taking the totality of the facts and circumstances into consideration and in the interest of justice I feel it appropriate to restore all these appeals to the file of the AO for making assessment a fresh. Thus, the order of the Ld. CIT(A) is set aside and the appeals are restored to the file of the AO for deciding issues in appeal afresh after providing adequate opportunity of being heard to the assessee.

6. In the result, the appeals of the assessee are allowed for statistical purposes.

Order pronounced in the open court on 28.01.2026.

Sd/-
[C.N. PRASAD]
JUDICIAL MEMBER

Dated: 28.01.2026

*NCH, Sr.P.O.**

Copy forwarded to:

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

Asst. Registrar,
ITAT, New Delhi