

**IN THE INCOME TAX APPELLATE TRIBUNAL  
KOLKATA 'B' BENCH, KOLKATA**

**Before**

**SHRI GEORGE MATHAN, JUDICIAL MEMBER  
&  
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**ITA No.: 2835/KOL/2025**

**Assessment Year: 2022-23**

H R Infracon Limited <b>(Appellant)</b>	Vs.	DCIT, Circle-7(1), Kolkata <b>(Respondent)</b>
<b>PAN: AACCH1838E</b>		

**Appearances:**

**Assessee represented by** : None.

**Department represented by** : S.B. Chakraborty, Addl. CIT, Sr. DR.

Date of concluding the hearing : 16-January-2026

Date of pronouncing the order : 30-January-2026

**ORDER**

**PER RAKESH MISHRA, ACCOUNTANT MEMBER:**

This appeal filed by the assessee is against the order of the Commissioner of Income Tax (Appeals)-NFAC, Delhi [hereinafter referred to as Ld. 'CIT(A)'] passed u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for AY 2022-23 dated 13.11.2025.

2. The assessee is in appeal before the Tribunal raising the following grounds of appeal:

*"GROUND NO. 1: VIOLATION OF PRINCIPLES OF NATURAL JUSTICE-FAILURE TO AFFORD ADEQUATE OPPORTUNITY OF BEING HEARD*

*1.1 That on the facts and in the circumstances of the case and in law, the Ld. CIT(A) has erred in law and on facts in confirming the ex-parte assessment order passed u/s 144 r.w.s. 144B without appreciating that the said order was passed in gross violation of principles of natural justice.*

*1.2 That the Ld. CIT(A) has erred in not appreciating that all statutory notices during the assessment proceedings were sent electronically to an incorrect email id "sharma@mjindia.com" which did not belong to the Appellant company, thereby depriving the Appellant of any effective opportunity to participate in the assessment proceedings.*



1.3. That the Ld. CIT(A) has failed to appreciate that the Ld. Assessing Officer (AO) violated the Standard Operating Procedure (SOP) for Faceless Assessment by not issuing physical notice to the registered address of the Appellant when it was evident from the records that not a single electronic notice was responded to, thereby establishing non-receipt of notices

1.4 That the Ld. CIT(A) ought to have appreciated that in the interest of justice and fair play, where the Appellant was deprived of opportunity to defend its case during assessment proceedings due to non-receipt of notices, the proper course of action was to set aside the ex-parte assessment order and remand the matter for fresh assessment.

1.5 That even during appellate proceedings before the Ld. CIT(A), despite the Appellant seeking adjournment on 03/11/2025 for 30-45 days to collate materials, the Ld. CIT(A) proceeded to decide the appeal ex-parte without specifically rejecting the adjournment request or granting reasonable time to file submissions, thereby compounding the violation of natural justice

1.6 That the Ld. CIT(A) has erred in dismissing the appeal by relying on various decisions without appreciating the distinguishing features of the present case where non-participation was not wilful but on account of reasons beyond the control of the appellant as described in the attached affidavit

**GROUND NO. 2: LUMP SUM DISALLOWANCE OF RS. 1,00,00,000/- U/S 68 R.W.S. 115BBE-ARBITRARY, UNJUSTIFIED AND WITHOUT BASIS**

2.1 That on the facts and in the circumstances of the case and in law, the Ld. CIT(A) has erred in confirming the lumpsum disallowance of Rs. 1,00,00,000/- made by the Ld. AO u/s 68 r.w.s. 115BBE of the Income Tax Act, 1961 on account of alleged bogus and ingenuine liabilities, which addition is arbitrary, ad-hoc, without any basis, unsupported by any material evidence and contrary to law.

2.2 That the Ld. CIT(A) erred in not appreciating that the Ld AO has made the addition on pure conjecture, surmise and suspicion without conducting any independent inquiry or investigation to establish that the liabilities shown by the Appellant were bogus or ingenuine.

2.3 That the Ld. CIT(A) failed to appreciate that Section 68 of the Income Tax Act, 1961 applies to unexplained cash credits and not to trade payables or liabilities which are duly recorded in the books of account

2.4 That the Ld. CIT(A) erred in not appreciating that the Ld. AO has made an arbitrary lumpsum addition of Rs. 1,00,00,000/- without any basis or rationale. There is no finding by the Ld. AO as to which specific transactions or liabilities are bogus or ingenuine. The addition is purely ad-hoc and estimate-based.

**GROUND NO. 3: GENERAL GROUND**



*3.1 That the Appellant craves leave to add, alter, amend, modify or delete any of the grounds of appeal either before or at the time of hearing of the appeal.*

*3.2 That the Appellant craves leave to take additional grounds of appeal either before or at the time of hearing of the appeal.”*

3. Brief facts of the case are that the assessee had filed the return of income for AY 2022-23 declared loss of ₹ 2,56,182/-. The case of the assessee was selected for scrutiny through Computer Assisted Scrutiny Selection (in short 'CASS') for the reasons being (i) high liabilities as compared to low income/receipts and (ii) large turnover but books of account not audited u/s 44AB of the Act. The Assessing Officer (hereinafter referred to as Ld. 'AO') issued several notices to the assessee but there was no compliance therefore, a sum of ₹1,00,00,000/- being the lumpsum disallowance out of purchases of ₹82,30,744/- and other direct expenses of ₹4,50,37,657/- was made after rejecting the books of account and the total income was assessed at ₹1,00,00,000/- and as against the declared loss of ₹2,56,182/-, the income was taken at ₹'NIL'. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A) who issued several notices for hearing but as there was no compliance to the notices issued, the addition made by the Ld. AO was upheld.

4. Aggrieved with the order of the Ld. CIT(A), the assessee has filed the appeal before the Tribunal.

5. None appeared on behalf of the assessee and the case was heard with the assistance of the Ld. DR. Ground No. 1 relates to violation of principles of natural justice and the failure to afford adequate opportunity of being heard both at the assessment stage as well as at the appellate stage. It is stated that all statutory notices during the assessment proceedings were sent electronically to an incorrect email



**sharma@mjindia.com** which does not belong to the assessee company, thereby depriving the assessee of any effective opportunity to participate in the assessment proceedings. No physical notice was issued at the registered address of the assessee even when it was evident from the record that not a single electronic notice was responded to by the assessee thereby establishing non-receipt of the notices.

6. We have considered the facts of the case, the submissions made and the documents filed. Since both at the stage of assessment as well as before the Ld. CIT(A), proper representation was not made as the notices were served on the email which did not belong to the assessee, in the interest of justice and fair play it was considered that the request of the assessee to set aside the case before the Ld. AO may be allowed so that a proper opportunity of being heard may be provided. Hence, after examining the facts of the case, we deem it appropriate to set aside the order of the Ld. CIT(A) and remit the matter back to the Ld. AO for making the reassessment *de novo*. Needless to say, the assessee shall be given a reasonable opportunity of being heard to make any further submission it wants to make in support of its grounds of appeal and shall not seek unnecessary adjournments. Accordingly, the grounds taken by the assessee in his appeal are allowed for statistical purposes.

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

**Order pronounced in the open Court on 30<sup>th</sup> January, 2026.**

Sd/-

**[George Mathan]**  
Judicial Member

Sd/-

**[Rakesh Mishra]**  
Accountant Member

Dated: 30.01.2026

*Bidhan (Sr. P.S.)*



*Copy of the order forwarded to:*

1. **H R Infracon Limited, 135, Foreshore Road, Howrah, West Bengal, 711102.**
2. **DCIT, Circle-7(1), Kolkata.**
3. CIT(A)-NFAC, Delhi.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

*// True copy //*

By order

Assistant Registrar  
ITAT, Kolkata Benches  
Kolkata