

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH : SMC-2 : NEW DELHI

BEFORE SHRI R.K. PANDA, ACCOUNTANT MEMBER

ITA No.5530/Del/2019
Assessment Year: 2016-17

Bhupesh Kumar,
380, 1st Floor, Block-B,
Sector-19, Dwarka,
New Delhi.

Vs ITO,
Ward 43(3),
New Delhi.

PAN: AHMPK6335M

(Appellant)

(Respondent)

Assessee by	:	None
Revenue by	:	Shri Vijay Kumar Kataria, Sr. DR
Date of Hearing	:	26.07.2021
Date of Pronouncement	:	26.07.2021

ORDER

This appeal filed by the assessee is directed against the ex parte order dated 7th June, 2019 of the CIT(A)-15, New Delhi, relating to assessment year 2016-17.

2. None appeared on behalf of the assessee despite issue of notice through RPAD. Therefore, this appeal is being decided on the basis of material available on record and after hearing the ld. DR

3. Although a number of grounds have been raised by the assessee, these all relate to the ex parte order of the CIT(A) in sustaining the addition of Rs.22,94,977/- made by the AO in the order passed u/s 143(3) of the IT Act, 1961.

4. Facts of the case, in brief, are that the assessee is an individual and filed his return of income on 30th December, 2016 declaring the total income at Rs.3,45,440/-. The case was selected for scrutiny to verify the cash in hand shown in the income-tax return. Notice u/s 143(2) and a questionnaire along with notice u/s 142(1) was issued and served on the assessee on different dates. From the various details furnished by the assessee, the AO noted that the assessee could not explain the huge difference of Rs.22,94,977/- in cash in hand as compared to last year's balance sheet. Although due opportunity was granted by the AO, however, there was no satisfactory compliance from the side of the assessee to his query. The AO noted that the cash in hand as on 31.03.2015 was Rs.17,26,593/- whereas the cash balance as on 31.03.2016 was Rs.40,21,870/-. Since the difference of Rs.22,94,977/- remained unexplained, the AO made addition of the same to the total income of the assessee.

5. Since the assessee did not appear before the CIT(A) despite two opportunities granted, the Id.CIT(A), in the ex parte order passed by him, sustained the addition made by the AO.

6. Aggrieved with such ex parte order of the CIT(A) sustaining the addition made by the AO, the assessee is in appeal before the Tribunal.

7. I have heard the ld. DR and perused the record. I find, the AO, in the instant case, made an addition of Rs.22,94,977/- on the ground that the assessee could not explain the huge cash difference in the balance sheet as on 31.03.2015 showing cash in hand of Rs.17,26,593/- and cash in hand as on 31.03.2016 at Rs.40,21,870/-. Since the assessee did not appear before the CIT(A), the ld.CIT(A), in the ex parte order passed by him, sustained the addition made by the AO. It is the grievance of the assessee in the grounds of appeal that the ld.CIT(A), without affording adequate opportunity of being heard to the assessee, sustained the addition made by the AO. Considering the totality of the facts of the case and in the interest of justice, I deem it proper to restore the issue to the file of the CIT(A) with a direction to grant one final opportunity to the assessee to substantiate his case and decide the issue as per fact and law. The assessee is also hereby directed to appear before the CIT(A) and explain his case without seeking any adjournment under any pretext failing which the ld.CIT(A) is at liberty to pass appropriate order as per law. I hold and direct accordingly. The grounds raised by the assessee are accordingly allowed for statistical purposes.

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

Pronounced in the open court at the time of hearing itself i.e., on
26.07.2021.

Sd/-

(R.K. PANDA)
ACCOUNTANT MEMBER

Dated: 26th July, 2021

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Copy forwarded to :

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

Asstt. Registrar, ITAT, New Delhi