

**आयकर अपीलीय अधिकरण, 'डी' न्यायपीठ, चेन्नई**  
IN THE INCOME-TAX APPELLATE TRIBUNAL 'D' BENCH, CHENNAI  
श्री धुव्वुरु आर.एल रेड्डी, न्यायिक सदस्य एवं श्री एस जयरामन, लेखा सदस्य के समक्ष  
**Before Shri Duvvuru RL Reddy, Judicial Member &**  
**Shri S. Jayaraman, Accountant Member**

**I.T.A. No. 144/Chny/2020**  
**Assessment year: 2011-12**  
**&**  
**S.P. No. 17/Chny/2020**  
**[In I.T.A. No. 144/Chny/2020]**

Shri Perumallur Vankipuram  
Janardhanan, No. 15, Sannadhi Street,  
Theradi, Thiruvallur

Vs.

The Income Tax Officer,  
Ward 2,  
Thiruvallur.

**[PAN:ACDPR5207K]**

**(अपीलार्थी /Appellant)**

**(प्रत्यर्थी/Respondent)**

अपीलार्थी की ओर से / Appellant by : Shri N.V. Balaji, Advocate  
प्रत्यर्थी की ओर से/Respondent by : Mrs. R. Anita, JCIT  
सुनवाई की तारीख/ Date of hearing : 31.01.2020  
घोषणा की तारीख /Date of Pronouncement : 31.01.2020

**आदेश /O R D E R**

**PER DUVVURU RL REDDY, JUDICIAL MEMBER:**

The appeal filed by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals) 7, Chennai dated 27.06.2019 relevant to the assessment year 2011-12. Besides challenging the issues on merits, the assessee has challenged exparte orders of authorities below.

2. Brief facts of the case are that the assessee has not filed the return of income for the assessment year 2011-12. Information from the office of the

ADIT(Inv.), New Delhi has been received by stating that the assessee has taken accommodation entries amounting to the extent of ₹.18,00,000/- during the financial year 2010-11 through M/s. Pawansut Holdings Lgtd., one of the bogus companies managed and controlled by Sh. Pradeep Kumar Jindal, who, during the course of search operation and post search enquiries found to be engaged in the business of providing illegal accommodation entries to various beneficiaries, including the assessee, by rotating cash through the bank accounts of bogus paper companies including M/s. Pawansut Holding Ltd. As per the enquiries of the Department reveal that the assessee has made transactions with M/s. Pawansut Holding Ltd., one of the bogus companies managed & controlled by Sh. Pradeep Kumar Jindal to provide accommodation entries to business entities by accepting cash from them. By recording the reasons for reopening for the assessment year 2011-12, the Assessing Officer issued notice under section 148 of the Act on 31.03.2018. Since there was no response from the assessee, the Assessing Officer completed the assessment under section 144 r.w.s. 147 of the Act and assessed the total income of the assessee at ₹.18,00,000/-. On appeal, since there was no response, the Id. CIT(A) dismissed the appeal of the assessee.

3. On being aggrieved, the assessee is in appeal before the Tribunal. The Id. Counsel for the assessee has submitted since the case was getting

time barred, the Assessing Officer fixed the hearing on 07.12.2018 by issuing a show cause notice, which was received by the assessee just three days before. It was further submission that due to lack of sufficient time, the assessee could not able to present his case before the Assessing Officer, thereby, the Assessing Officer passed exparte order without giving sufficient opportunities of being heard to the assessee. It was further submission that the Id. CIT(A) has also not given sufficient opportunities of being heard to the assessee besides not adjudicating the issue on merits.

4. On the other hand, the Id. DR strongly supported the orders of authorities below.

5. We have heard both the sides, perused the materials available on record and gone through the orders of authorities below. On perusal of the assessment order, we find that the Assessing Officer himself noted that the show cause notice was received by the assessee on 03.12.2018 towards posting the case for hearing on 07.12.2018, which clearly indicates that the Assessing Officer has not given sufficient time to the assessee for presenting his case before the Assessing Officer. Moreover, the Id. Counsel for the assessee has submitted that the assessee has challenged the legal issue of reopening of assessment under section 147 of the Act and without giving sufficient opportunities of being heard to the assessee, the Id. CIT(A) dismissed the appeal of the assessee by reproducing the assessment order

in the appellate order without adjudicating the issue on merits. Under these circumstances, we set aside the order of the Id. CIT(A) and remit the matter back to the file of the Assessing Officer to decide the matter afresh by affording reasonable opportunities of being heard to the assessee.

6. Once the appeal filed by the assessee has been remitted back to the file of the Assessing Officer for fresh adjudication, the stay petition filed in lieu thereof has no *locus standi* and thus, the stay petition filed by the assessee stands dismissed.

7. In the result, the stay petition filed by the assessee is dismissed and the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced on the 31<sup>st</sup> January, 2020 at Chennai.

Sd/-  
(S. JAYARAMAN)  
ACCOUNTANT MEMBER

Sd/-  
(DUVVURU RL REDDY)  
JUDICIAL MEMBER

Chennai, Dated, the 31.01.2020

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to: 1. अपीलार्थी/Appellant, 2. प्रत्यर्थी/Respondent, 3. आयकर आयुक्त (अपील)/CIT(A), 4. आयकर आयुक्त/CIT, 5. विभागीय प्रतिनिधि/DR & 6. गार्ड फाईल/GF.