

आयकर अपीलिय अधिकरण, “ए” न्यायपीठ, चेन्नई  
IN THE INCOME-TAX APPELLATE TRIBUNAL ‘A’ 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

आयकर अपील सं./I.T.A. No.3228/Chny/2018  
निर्धारण वर्ष/Assessment Year:2013-14

M/s. Vee Three Entertainment P. Ltd.,  
No. 7/4, Baroda Street Extn., West  
Mambalam, Chennai 600 033.

The Assistant Commissioner of  
Income Tax,  
Corporate Circle 3(2),  
Chennai.

[PAN: AACCV0671P]

(अपीलार्थी /Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by . Shri S. Sridhar, Advocate &  
: Shri N. Arjunraj, C.A.  
प्रत्यर्थी की ओर से/Respondent by : Shri G. Chandrababu, Addl. CIT  
सुनवाई की तारीख/ Date of hearing : 24.11.2020  
घोषणा की तारीख /Date of Pronouncement : 22.12.2020

**आदेश /O R D E R**

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

This appeal filed by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals) 11, Chennai dated 29.06.2018 relevant to the assessment year 2013-14 passed under section 271(1)(c) of the Income Tax Act, 1961[“Act” in short] and confirmed by the Id. CIT(A).

2. Brief facts of the case are that the assessee filed its return of income for the assessment year 2013-14 on 08.11.2014 admitting a loss of ₹.29,740/-.

The return filed by the assessee was processed under section 143(1) of the Act and subsequently, the case of the assessee was selected for scrutiny. Against statutory notices, the assessee furnished the details as called for. After considering the submissions and accounts of the assessee, the Assessing Officer completed the assessment under section 143(3) of the Act, by assessing total income of the assessee at ₹.5,58,75,763/- after making addition towards income from capital gains. Subsequently, the Assessing Officer initiated penalty proceedings under section 271(1)(c) of the Act and levied penalty of ₹.1,20,91,970/-. On appeal against the penalty order, the Id. CIT(A) confirmed the penalty levied under section 271(1)(c) of the Act.

3. On being aggrieved, the assessee is in appeal before the Tribunal. Besides challenging confirmation of levy of penalty under section 271(1)(c) of the Act, the assessee has also challenged the ex-parte order passed by the Id. CIT(A) by raising specific ground. The Id. Counsel for the assessee has submitted that the assessee was never served with the hearing notice and prayed that the assessee may be permitted to represent its case before the appellate authority by giving adequate opportunity of being heard. On the other hand, the Id. DR dutifully supported the orders of authorities below.

4. We have heard both the sides through video conferencing, perused the materials available on record and gone through the orders of authorities below.

On perusal of the appellate order, we find that though the assessee was issued with notice of hearing, but, there was no mention about service of notice to the assessee to represent its case before the Id. CIT(A). Thus, we are of the view that the assessee was not given proper notice of hearing to represent its case before the Id. CIT(A). In view of the above, direct the Id. CIT(A) to afford one more opportunity of being heard to the assessee and thereafter adjudicate the appeal of the assessee on merits.

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

Order pronounced on the 22<sup>nd</sup> December, 2020 at Chennai.

Sd/-  
(S JAYARAMAN)  
ACCOUNTANT MEMBER

Sd/-  
(DUVVURUL RL REDDY)  
JUDICIAL MEMBER

Chennai, Dated, the 22.12.2020

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.