

**आयकर अपीलीय अधिकरण 'ए' न्यायपीठ चेन्नई में।**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**'A' BENCH, CHENNAI**

माननीय श्री मनोज कुमार अग्रवाल ,लेखा सदस्य एवं  
माननीय श्री मनु कुमार गिरि, न्यायिक सदस्य के समक्ष।  
**BEFORE HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM**  
**AND HON'BLE SHRI MANU KUMAR GIRI, JM**

आयकरअपील सं./ ITA No.902/Chny/2023  
(निर्धारणवर्ष / Assessment Year: 2014-15)

M/s. Kamachi Steels Private  
Limited,  
No.664, T.N. Road,  
Tondiarpet,  
Chennai 600 081.

**Vs.** The Deputy Commissioner of  
Income Tax,  
Central Circle 1(1)  
Chennai.

**[PAN: AAACK 4450B]**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by  
प्रत्यर्थी की ओर से /Respondent by

: Shri. T. Vasudevan, Advocate  
: Shri. ARV Srinivasan, IRS, Addl. CIT

सुनवाई की तारीख/Date of Hearing

: 09.05.2024

घोषणा की तारीख /Date of Pronouncement

: 29.05.2024

**आदेश / ORDER**

**PER MANU KUMAR GIRI (Judicial Member)**

This Income Tax Appeal filed by the assessee are directed against the order of the Ld. Commissioner of Income Tax(Appeal)-18, [In short 'CIT(A)'] Chennai dated 30.06.2023 for Assessment Year 2014-2015. The assessment was framed by the Deputy Commissioner of Income Tax, Central Circle 1(1), Chennai vide order dated 29.12.2017.

2. In the grounds of appeal, appellant has taken 13 grounds however, in sum and substance solitary ground revolves around an addition on account of introduction of share application money to the tune of Rs.6,50,00,000/- from seven (7) unrelated companies treated as unexplained cash credit u/s 68 of the Income Tax Act, 1961 (In short 'the Act'). Assessing officer (In short 'AO') during the course of assessment proceedings added these (Share Capital and Share Premium) credits in the absence of confirmation received from seven (7) parties. The assessee has filed the various details as mentioned in para 7.3.2 of the Ld.CIT(A) order.

3. Brief facts are that the Assessee is a company engaged in manufacturing of TMT Bars and M S Billets filed return of income for assessment year 2014-15 on 27.09.2014 declaring net loss of Rs.10,08,31,691/- of Rs.2,92,790/- and claimed a huge refund of Rs.17,05,410/-. Despite time taken to file documents asked for, assessee has not filed the same before Ld.CIT(A). Ultimately, Ld.CIT(A) upheld the order of assessing officer (In short 'AO') who assessed the share capital and share premium credits of Rs.6,50,00,000/- as unexplained cash credit in the hands of assessee u/s 68 of the Act.

4. The appellant assailed the assessment order u/s 143(3) dated 29.12.2017 before the Ld. CIT(A) wherein the assessee has failed to furnish all details before the first appeal authority. Accordingly, the assessment was confirmed on merits against which assessee is in further appeal before us.

5. At the outset, Ld. Counsel for the appellant submitted that both authorities viz; Ld. A.O. and CIT(A) had not properly appreciated the matter. Ld. Counsel for the appellant has referred para 7.3.2 of order of the CIT(A) and stated that the assessing officer wrongly noted that the appellant had not given details to substantiate the identity, genuineness and credit worthiness of the companies. Ld. Counsel further prayed that if an adequate opportunity of hearing is given to the appellant, appellant would file complete information and prosecute its case properly before the Ld. AO. The Ld. Sr. DR objected to the prayer of Ld.Counsel for the assessee and relied upon the orders of the lower authorities.

6. Though we appreciate the submissions of Ld. Sr. DR however, keeping in mind the controversy regarding filing of documents before AO and the principle of natural justice, it is a fit case to grant another opportunity of hearing to the assessee to submit all such documents or evidence to substantiate the identity, genuineness and credit worthiness of the seven (7) companies as discussed in para 7.3 of Ld.CIT(A) order. Accordingly, the impugned order is set aside and the appeal is restored back to the file of AO for adjudication a fresh on limited issue of introduction of share application money to the tune of Rs.6,50,00,000/- from seven (7) unrelated companies, after affording proper opportunity of hearing to the assessee. The assessee is directed to substantiate its case with complete information as per law, failing which Ld. CIT(A) shall be at liberty to proceed with the disposal of the appeal as per law.

7. In the result, appeal filed by the assessee for A.Y.2014-15 is allowed in above terms for statistical purpose.

Order pronounced in the open court on 29th May, 2024 at Chennai.

Sd/-

(मनोज कुमार अग्रवाल)

**(MANOJ KUMAR AGGARWAL)**

**लेखा सदस्य / ACCOUNTANT MEMBER**

Sd/-

(मनु कुमार गिरि)

**(MANU KUMAR GIRI)**

**न्यायिक सदस्य / JUDICIAL MEMBER**

चेन्नई Chennai:

दिनांक Dated :29-05-2024

KV

आदेश की प्रतिलिपि अग्रेषित /Copy to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT, Chennai/Coimbatore/Madurai/Salem.
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF