

**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.1293/Chny/2023  
(निर्धारणवर्ष / Assessment Year: 2014-15)**

Subramaniam Ramasamy,  
Prop: Asia Textiles,  
119-A, Rasagoundenpalayam,  
Manickapuram,  
Palladam,  
Tirupur 641 664.

**Vs.** The Deputy Commissioner of  
Income Tax,  
Circle -1,  
Tirupur.

**[PAN: ASIPS 0010J]**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

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

: Shri. S. Sridhar, Advocate  
: Shri. R. Mukundan, IRS, JCIT.

सुनवाई की तारीख/Date of Hearing

: 12.06.2024

घोषणा की तारीख /Date of Pronouncement

: 19.06.2024

**आदेश / ORDER**

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

The instant appeal filed by the assessee is directed against the order dated 24.08.2023 passed by the NATIONAL FACELESS APPEAL CENTRE (NFAC), Delhi, arising out of the assessment order dated 10.11.2016 passed u/s section 143(3) of the Income Tax Act, 1961 (hereinafter referred as to 'the Act') by the ITO for Assessment Year 2014-15.

2. The registry has noted delay of 25 days in filing the appeal. Ld. Counsel for the assessee submitted that the assessee was not well and advised rest by doctor. Considering the reasons and adopting pragmatic approach, the delay in filing of the appeal is condoned and appeal is admitted for adjudication.

3. The appellant has taken five grounds of appeal which are as under:

- ‘1) The Order of the Learned First Appellate Authority is bad and erroneous in law.*
- 2) The Assessing Officer as well as the Learned First Appellate Authority erred in not considering the submissions and evidences filed by the Appellant in proper perspective.*
- 3) Without prejudice to the generality of the foregoing grounds, the Learned First Appellate Authority erred in not considering the plea of the Appellant that the payments were made to business parties only out of business expediency, more particularly when the Appellant explained that the suppliers insisted on immediate payment for smooth supply of goods.*
- 4) Without prejudice, the Learned First Appellate Authority erred in observing that business expediency is not covered under Rule 6DD of the Income Tax Rules and that none of the circumstances mentioned therein are applicable, without considering the larger and broader scope and effect of Section 40A (3) to the present scenario.*
- 5) Without prejudice, the Learned First Appellate Authority erred in making addition of Rs.18 Lakhs in the hands of the Appellant by observing that the Appellant did not file any evidence for the source of income of the HUF, despite acknowledging the factum of transfer of money by the HUF to the Appellant, which is not taxable u/s.10, thereby extending the scrutiny of the Appellant to that of the HUF, which is not permissible’.*

4. The AO in its assessment order dated 10.11.2016 made additions on two accounts. Firstly, addition on account of unexplained cash credit of Rs.18,00,000/- u/s 68 of the Act and secondly, addition on account of payments made in cash of Rs.28,99,539/- u/s 40(A)(3) of the Act. Ld.CIT(A) has dismissed the ground of assessee on the issue of unexplained cash credit of Rs.18,00,000/- u/s 68, however, given partial relief of Rs.3,20,000/- out of total disallowance of Rs.28,99,539/- and

upheld the balance addition of Rs.25,79,539/-. Hence, assessee is further in appeal before us.

5. We have heard the rival submissions, perused the record, impugned order. We find that during the course of hearing before Id.CIT(A), assessee filed his detailed reply on 17.07.2023 through eportal and also sought further time to file evidence, explain and substantiate on both additions. We have also navigated the documents/evidence filed by the assessee and find that the same are not at all referred and considered by the Id.CIT(A)

6. Consequently, in the facts and circumstances of the case, we deem it fit to set aside both the issues to the file of AO to look afresh after affording adequate opportunity of hearing the assessee.

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

Order pronounced in the open court on 19th day of June, 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 : 19-06-2024

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