

आयकर अपीलीय अधिकरण, बी, न्यायपीठ,चेन्नई
**IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, CHENNAI**

माननीय श्री मनु कुमार गिरि, न्यायिक सदस्य एवं
श्री एस.आर. रघुनाथा, लेखा सदस्य के समक्ष

**BEFORE HON'BLE SHRI MANU KUMAR GIRI, JM AND
SHRI S.R. RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.1008/CHNY/2024

निर्धारण वर्ष/Assessment Year: 2018-19

Sri Renganatha Co-Operative Stores Ltd,
124, South Chitra Street,
Srirangam, Trichy 620 006.

The Income Tax Officer,
Vs. Circle 1,
Trichy.

PAN: AAAAS 0345R

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by

: Shri. S. Girish Kumar, Advocate

प्रत्यर्थी की ओर से/Respondent by

: Shri. D. Hema Bhupal, IRS, JCIT.

सुनवाई की तारीख/Date of Hearing

: 26.06.2024

घोषणा की तारीख/Date of Pronouncement

: 28.06.2024

आदेश /ORDER

PER MANU KUMAR GIRI (Judicial Member)

This appeal filed by the assessee is directed against the order No.ITBA/NFAC/S/250/2023-24/1061051333 (1) of the Ld. Commissioner of Income Tax(Appeals)(NFAC) Delhi [CIT(A)] dated 16.02.2024 for Assessment Year 2018-19. The assessment was framed by the Additional/Joint/Deputy/Assistant Commissioner of Income Tax/ Income-tax

Officer, National e-Assessment Centre, Delhi u/s.143(3) r.w.s. 143(3A) & 143(3B) of the Income Tax Act, 1961 (hereinafter the 'Act') for the assessment year 2018-19 vide order dated 11.03.2021.

02. Brief facts of the case are that Assessee is an Association of Persons (AOP) had filed return of income for AY 2018-19 on 31.03.2019 declaring Nil income. The return was processed u/s.143(1) of the Act on 17.10.2019 at Nil income. The assessee case was selected for scrutiny through CASS and notice dated 06.02.2021 was issued to the assessee society and the assessee society has submitted reply on 09.03.2021 filing earlier years assessment orders, computation of income and balance sheet alongwith salary details, trade charges, establishment expenses etc., Since there was no written reply or explanation regarding observations in draft assessment orders, notices dated 13.2.2021 and 24.02.2021 were issued to the assessee. Since there was no reply, the Assessing Officer made disallowance of bonus paid of Rs.1,38,551/- and made an addition of Rs.4,58,241/- towards unexplained expenditure. Being aggrieved assessee challenged the said order before the Id.CIT(A). The Id.CIT(A) confirmed the action of the Id. AO on the reason that assessee has not submitted any explanation for the queries sent vide notices dated 08.10.2021, 09.12.2021 and 21.09.2022. Aggrieved, assessee preferred an appeal before the Tribunal.

3. At the outset, Ld. Counsel for the appellant submitted that the Id. AO as well as Ld.CIT(A) had not properly followed the principles of natural justice. Ld. Counsel for the appellant contended that notices were sent during COVID

period and hence assessee could not submit required documents. He further prayed that if an adequate opportunity of hearing is given before Id. Assessing Officer, assessee will submit the required documents. Ld. Senior Departmental Representative urged that the order of AO and that of CIT(A) be confirmed.

4. We have gone through the orders of lower authorities and submissions addressed by the parties before us. We find that the Id. AO as well as Id.CIT(A) has not given effective opportunity of hearing to appellant to explain its case. Therefore, in the light of aforesaid factual position we deem it fit to set aside this appeal to the file of the Id. Assessing Officer to look afresh after affording adequate opportunity of hearing the assessee.

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

Order pronounced in the open court on 28th day of June, 2024 at Chennai.

Sd/-

एस.आर. रघुनाथा

(S.R. RAGHUNATHA)

लेखा सदस्य/ ACCOUNTANT MEMBER

चेन्नई/Chennai,

दिनांक/Dated, the 28th June, 2024

KV

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त /CIT, Chennai
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF.

Sd/-

(मनु कुमार गिरि)

(MANU KUMAR GIRI)

न्यायिक सदस्य / JUDICIAL MEMBER