

**आयकर अपीलीय अधिकरण 'बी' न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
'B' (SMC) BENCH, CHENNAI**

**माननीय श्री मनु कुमार गिरि, न्यायिक सदस्य एवं
माननीय श्री अमिताभ शुक्ला . लेखा सदस्य के समक्ष।
BEFORE HON'BLE SHRI MANU KUMAR GIRI, JUDICIAL MEMBER
AND HON'BLE SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER**

**आयकर अपील सं./ ITA No.1750/Chny/2024
(निर्धारणवर्ष / Assessment Year: 2017-2018)**

Pachiyappan Sathiyamurthy,
No.57/1, 1st Cross,
Periyar Nagar,
Harur,
Dharmapuri 636 903.

Vs. The Income Tax Officer,
Ward 1,
Dharmapuri.

[PAN: BIQPS 0131K]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by

: Shri P.M. Kathir and Shri. G. Akash,
Advocates.

प्रत्यर्थी की ओर से /Respondent by

: Ms. Gouthami Manivasagam, IRS, JCIT.

सुनवाई की तारीख/Date of Hearing

: 21.08.2024

घोषणा की तारीख /Date of Pronouncement

: 23.08.2024

आदेश / ORDER

MANU KUMAR GIRI (Judicial Member)

This appeal filed by the assessee is directed against the order of the Ld. Commissioner of Income Tax (Appeals)(NFAC) Delhi [CIT(A)] dated 27.05.2024 for Assessment Year 2017-18.

2. Assessee is an individual has filed his return of income for AY 2017-18 on 02.01.2018 declaring the total income of Rs.3,26,710/-. The case was selected for

complete scrutiny through CASS. Reason for selection was to verify cash deposits in bank during demonetization period. During assessment proceedings, the assessee was not able to justify the source for cash deposits in bank accounts. Hence, Id.AO made an additions of Rs.19,13,000/- (cash deposits) u/s 69A and Rs.5,56,814/- (disallowance of agricultural income) ex-parte vide order dated 12.12.2019 u/s. 144 of the Income Tax Act, 1961 ('Act' in short). Aggrieved assessee preferred an appeal before the Id.CIT(A), who dismissed the appeal of assessee on merits although assessee failed to appear before the Id.CIT(A) despite several notices. Assessee is in further appeal before us.

3. At the outset, Ld. Counsel for the appellant submitted that Ld. AO and Id.CIT(A) had not properly followed the principles of natural justice in true spirit. Ld.CIT(A) issued one notice dated 05.02.2021 during Covid-19 period and second notice in May, 2024 after gap of almost 3 years which were inadvertently not noticed by the assessee. Even Id.AO within one month had completed the assessment from notice u/s 142(1) of the Act. The Ld. Counsel for the appellant further prayed that if an adequate opportunity of hearing is given before Id.AO, assessee will prosecute the appeal properly. Ld.CIT-DR relied upon the order of Id.CIT(A) and prayed for dismissal of appeal.

3. We have gone through the orders of lower authorities and submissions addressed by the parties before us. Looking into the entire factual scenario, we are of the considered view that in the interest of justice assessee should be given adequate

opportunity before Id.AO itself to prosecute his case from the grass root level. Therefore, in the light of aforesaid factual position we deem it fit to set aside this appeal to the file of Id.AO for denovo assessment. The Ld.AO whose shall proceed for denovo assessment after providing proper opportunity of hearing to the assessee. The assessee is directed to substantiate its case forthwith without any fail, failing which Ld.AO shall be at liberty to proceed with the disposal of the appeal as per law.

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

Order pronounced in the open court on 23rd day of August, 2024 at Chennai.

Sd/-

(अमिताभ शुक्ला)

(AMITABH SHUKLA)

लेखा सदस्य / ACCOUNTANT MEMBER

Sd/-

(मनु कुमार गिरि)

(MANU KUMAR GIRI)

न्यायिक सदस्य / JUDICIAL MEMBER

चेन्नई Chennai:

दिनांक Dated :23-08-2024

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