

**IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH, COCHIN**

**Before Shri Inturi Rama Rao, Accountant Member**

**ITA No. 804/Coch/2024**  
(Assessment Year: 2010-11)

Attapuratt Ismail Attapuratt House Kadavathur P.O. Thalassery 670676 [PAN: ABFPI7471M]	vs.	The Income Tax Officer Ward - 2, Kannur
(Appellant)		(Respondent)

Appellant by:	Shri R. Krishnan, CA
Respondent by:	Smt. Leena Lal, Sr. D.R.

Date of Hearing:	30.10.2024
Date of Pronouncement:	18.11.2024

**ORDER**

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre, Delhi [CIT(A)] dated 24.07.2024 for Assessment Year (AY) 2010-11.

2. Brief facts of the case are that the assessee is an individual deriving income from partnership firm. The Assessing Officer, based on the information that the assessee made investment in the partnership firm Swarnanjli Group of firms advanced the opinion that income escaped assessment to tax. Accordingly issued notice u/s. 148 of the Income Tax Act, 1961 (the Act) on 28.03.2017. The assessee neither complied with the notice u/s. 148 of the Act nor complied with the notice u/s. 142 of the Act calling for details. In the circumstances the AO was constrained to complete the assessment u/s. 144 of the Act bringing to tax the investments made in

Swarnanjali Gold, Kalpatta of Rs. 4,50,000/- and Swarnanjali Gold, Wandoor of Rs. 5,25,000/- respectively as unexplained investment.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order considering the explanation of the assessee that the investment of Rs. 4,50,000/- made in Swarnanjali Gold, Kalpatta is treated as explained. As regards, the investment made with Swarnanjali Gold, Wandoor, the learned CIT(A) had not accepted the explanation that the investment is made out of the savings for want of evidence. Therefore, he confirmed the addition of Rs. 5,25,000/- .

4. Being aggrieved, the assessee is in appeal before the Tribunal. It is submitted before me that the assessee had filed a detailed explanation as regards the source of investment made with Swarnanjali Gold, Wandoor. However, the CIT(A) without advertng to the explanation filed by the assessee merely confirmed the addition. Therefore, he submitted that the matter may be remanded to the file of the AO for de novo assessment in accordance with law after affording opportunity of being heard to the assessee.

5. The learned Sr. DR had no serious objection for remanding of the matter to the file of the AO.

6. I have heard the rival contentions of both the parties and perused the material available on record. The only issue that arises for my consideration is whether or not the CIT(A) is justified in confirming the addition of Rs. 5,25,000/- as unexplained investment made with the firm Swarnanjali Gold, Wandoor. Admittedly the assessee had not explained the source of investment made with Swarnanjali Gold, Wandoor. It is only before the CIT(A) that the assessee made an attempt to explain the source of investment made with Swarnanjali Gold, Wandoor. It appears that the learned CIT(A) without advertng to the evidences filed in support of the source of

investment merely dismissed the appeal. In this circumstance I am of the considered opinion that the matter requires remand to the file of the AO for de novo assessment in accordance with law after affording opportunity of being heard to the assessee.

7. In the result, the appeal of the assessee stands partly allowed.

Order pronounced in the open court on 18<sup>th</sup> November, 2024

Sd/-  
(Inturi Rama Rao)  
Accountant Member

Cochin, Dated: 18<sup>th</sup> November, 2024

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

Assistant Registrar  
ITAT, Cochin