

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

श्री यस यस विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री अमिताभ शुक्ला, लेखा सदस्य के समक्ष
BEFORE SHRI SS VISWANETHRA RAVI, JUDICIAL MEMBER AND
SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER
आयकर अपील सं./ITA No.1748/Chny/2024
निर्धारण वर्ष /Assessment Years: 2017-18

K.Renganathan(HUF)
No.790, 8th Cross Street,
Gandhi Nagar(East),
Radhakrishnan Nagar,
Vellore-632006.
[PAN: AALHK3121M]

The Assistant Commissioner of
Income Tax,
Circle-1,
Vellore.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Assessee by
प्रत्यर्थी की ओर से /Revenue by

: Shri M.Karunakaran, Advocate
: Ms.Gouthami Manivasagam, JCIT

सुनवाई की तारीख/Date of Hearing

: 11.09.2024

घोषणा की तारीख /Date of Pronouncement

: 29.11.2024

आदेश / ORDER

PER AMITABH SHUKLA, A.M :

This appeal is filed against the order bearing DIN & Order No.ITBA/NFAC/S/250/2024-25/1064957384(1) dated 17.05.2024 of the Learned Commissioner of Income Tax [herein after "CIT(A), National Faceless Appeal Center[NFAC], Delhi, for the assessment years 2017-18. Through the aforesaid appeal the assessee has challenged order u/s 250 dated 17.05.2024 passed by NFAC, Delhi.

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2.0 Brief factual matrix of the case is that the Ld.AO has made an addition of Rs.69,00,000/- to income of the assess u/s 69A of the Act. The assessee had reportedly made cash deposit of Rs.69,00,000/- in its Gandhinagar Vellore branch of HDFC bank during demonetization period . Before the Ld.AO it was contended that the assessee was in money lending business and that the impugned deposits were return of principle loans amount, interest there upon. The assessee however could not provide the details of names and address of the said parties to whom alleged loans were advanced. Consequently, the Ld.AO proceeded to treat the impugned deposits as unexplained deposits u/s 69A r.w.s. 115BBE of the act and made the addition of Rs.69,00,000/-.

3.0 Before us the assessee has raised grounds of appeal No.1 to 14 all of which are centering around the principal controversy of addition of Rs.69,00,000/- u/s 69A r.w.s. 115BBE of the act. Ground of appeal No.3 is regarding adjudication of appeal by the CIT(A) without any proper consideration of the facts and by a mere “cut and paste” of the finding of the Ld. AO given in his order.

4.0 We have heard the rival submissions in the light of material available on records. We have taken notice of the ground of appeal No.3 regarding adjudication of appeal by the CIT(A) without any proper

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consideration of the facts and by a mere “cut and paste” of the finding of the Ld. AO given in his order. We have also noted that the averments raised by the assessee are totally evident from the order of Ld. CIT(A). It clearly seen that the Ld. CIT(A) has merely copy pasted contents from page-4 (second last para of AO’s order) and para 5.1.7 on page-5 of the Ld. AO’s order. He has after said copy paste in para 4 of his order merely concluded “the appeal filed by the assessee is dismissed. Thus it is glaring fact of this case that the Ld. CIT(A) has not discharged his adjudicating responsibility with even a grain of sincerity or accountability. The Ld. CIT(A) was required to have examined the facts of the case viz a viz conclusions drawn by the Ld. AO and thereafter to proceed with his own decision as to whether he concurs or not. In fact, this is the only function for a appellate authority.

4.1 The appellate order is a prime example of discharge of appellate functions in the most callous and careless manner without any application of mind. It is trite law that application of mind is basic ingredient for any judicious order. The revenue do well to recommend the impugned Ld. CIT(A) for training so as to equip him with basic skills required for discharge of appellate functions, which come with serious responsibilities. Alternatively, the revenue may

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consider not shouldering the Ld. CIT(A) with appellate functions. In either of the situations, the revenue would save itself from being exposed to unnecessary embarrassment.

4.2 Be that as it may be, in the interest of justice we therefore set aside the order of Ld. CIT(A) and direct him to readjudicate the matter de novo after giving due opportunities of being heard to the assessee and passing a speaking order. The assessee shall be required to make due compliance to the notices issued by the Ld. CIT(A). **Accordingly, all the grounds of the appeal raised by the assessee are allowed for statistical purposes.**

5.0 In the result the appeal is allowed for statistical purposes

Order pronounced on 29th, November-2024 at Chennai.

Sd/-

(यस यस विश्वनेत्र रवि)

(SS Viswanethra Ravi)

न्यायिक सदस्य / Judicial Member

Sd/-

(श्री अमिताभ शुक्ला)

(Amitabh Shukla)

लेखा सदस्य /Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 29th, November-2024.

KB/-

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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