

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़
IN THE INCOME TAX APPELLATE TRIBUNAL, CHANDIGARH
BENCH 'A' CHANDIGARH

BEFORE: SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER
AND SHRI PARESH M. JOSHI, JUDICIAL MEMBER,

आयकर अपील सं./ITA No. 766/CHD/2024

निर्धारण वर्ष / Assessment Year : 2017-18

Atam Textiles Pvt. Ltd., Street No.2, Nanak Nagar, New Sabzi Mandi.	Vs	The ITO, Ward III(2), Ludhiana.
स्थायी लेखा सं./PAN /TAN No: AABCA4132D		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

निर्धारिती की ओर से/Assessee by : Shri Rajeev Kaushal, CA

राजस्व की ओर से/Revenue by : Shri Vivek Vardhan, JCIT, Sr.DR

तारीख/Date of Hearing : 05.12.2024

उद्घोषणा की तारीख/Date of Pronouncement : 09.12.2024

PHYSICAL HEARING

आदेश/ORDER

PER PARESH M. JOSHI, JM

This is an appeal filed by the assessee under Section 253 of the Income Tax Act, 1961 as and by way of second appeal before this Tribunal. The assessee is aggrieved by the order bearing No. ITBA/NFAC/S/250/2024-25/1064958207(1) dated 17.05.2024 passed by Id. CIT(A) under Section 250 of the Income Tax Act, 1961 which is hereinafter referred to as the "Impugned order". The

relevant assessment year is 2017-18 and the corresponding previous year period is from 01.04.2016 to 31.03.2017.

2. The assessee filed its return of income for A.Y. 2017-18 on 06-11-2017 declaring book profit of Rs. 4,60,012/- u/s 115JB of Income Tax Act 1961 (here in after referred to as "the Act"). Assessment order u/s 143(3) of the Act was passed on 06-12-2019 by making additions of Rs. 17,00,000/- u/s 69A of the Act- on account of alleged non explanation of cash deposited in bank account during demonetization period and Rs. 1,99,187/- on account of allegation that such amount of profit on sale of assets was never credited to profit and loss account, though the same was reduced from taxable income in computation of income.

3. The assessee has raised following grounds of appeal before us :

1. No notice was served on the assessee. Ex-Parte order was passed by CIT (A), without giving any opportunity of being heard; thus defying the law of natural Justice. Therefore, the assessee was not having sufficient opportunity to plead his case and

substantiate his contentions. Order so passed, dismissing all grounds of appeal of assessee, 'without serving him any notice, thus not giving him the opportunity of being heard, is illegal and void.

2. That without prejudice to above, the additional evidence may kindly be admitted under Rule 29 of Income Tax Appellate Tribunal Rules, 1963, in the interest of natural justice.

3. That order passed by assessing officer u/s 143(3) of the Income Tax act, 1961(For Brevity "the Act"), and order passed by CIT (A) u/s 250 of the Act is against the facts of the case and as well as against the law.

4. That addition made by assessing officer and further confirmed by CIT(A)(without giving opportunity of being heard) amounting to Rs 17,00,000/-,u/s 69A of the Act, on account of cash deposited during demonetization period, is without proper appreciation of the facts on record. Such Action of revenue is against the facts and law.

5. That addition made by assessing officer and further confirmed by CIT (A)(without giving opportunity of being heard) amounting to Rs 1,99,187/-, on account of wrong observation/appreciation of the fact that profit arising on sale of fixed assets amounting to Rs 1,99,187/- was not credited in profit and loss account of the assessee. Such Action of revenue is against the facts and law.

6. That the assessee craves the right to add, delete or amend any ground of appeal before disposal of the same.

4. The hearing in the matter took place before us on 05.12.2024 when both the ld. AR for and on behalf of the assessee and ld. DR for and on behalf of the Revenue appeared before us. The ld. AR contended before us that impugned order is in violation of the principle of natural justice null and void besides being illegal and bad in law as no notice was served on the assessee before the

impugned order was passed. Thus, impugned order is ex-parte. Per contra, ld. AR for and on behalf of the assessee contended that besides impugned order being ex-parte is also an unreasoned order as nothing is discussed in the impugned order at all. The appeal of the assessee is dismissed without giving any reasons. Both the ld. AR and ld. DR finally contended that impugned order be set aside and matter be remitted back to CIT(A) to pass a fresh order on denovo basis.

5. We have minutely perused the impugned order and we notice that no reasons have been given for dismissing the appeal of the assessee. It is, thus, an unreasoned and non speaking order. There is also no mention in the impugned order about any notice which was served affording a reasonable opportunity of being heard to the assessee.

6. Accordingly, we set aside the impugned order and remand the case back to the file of the CIT(A) to pass a fresh order which should be well reasoned and speaking after giving a notice of hearing to the assessee.

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

Order pronounced on 09.12.2024.

Sd/-

Sd/-

**(VIKRAM SINGH YADAV)
ACCOUNTANTMEMBER**

**(PARESH M. JOSHI)
JUDICIAL MEMBER**

“Poonam”

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,
सहायक पंजीकार/ Assistant Registrar

1.	Draft dictated	09.12.2024	Sr.PS
2.	Draft first placed before author	09.12.2024	
3.	Approved draft comes to Sr.PS/PS		
4.	Final draft placed before author		
5.	Order signed and pronounced on		
6.	File sent to the Bench Clerk		Sr.PS
7.	Date on which file goes to the AR		
8.	Date on which file goes to the Head Clerk.		
9.	Date of dispatch of Order		