

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

**माननीय श्री मनोज कुमार अग्रवाल ,लेखा सदस्य एवं
माननीय श्री मनु कुमार गिरि, न्यायिक सदस्य के समक्ष।
BEFORE HON'BLE SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER
AND HON'BLE SHRI MANU KUMAR GIRI, JUDICIAL MEMBER**

**आयकर अपील सं./ ITA No.2639/Chny/2024
(निर्धारणवर्ष / Assessment Year: 2019-2020)**

Ravindra Finance,
C-41, 7th Cross, North East
Extension, Thillainagar,
Trichy 620 018.

Vs. The Income Tax Officer,
Ward 2 (1)
Trichy.

[PAN: AAAGR 6952Q]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: Shri M.K. Rangaswamy, C.A.,
: Ms. D. Komali Krishna, IRS, CIT.

सुनवाई की तारीख/Date of Hearing : 17.12.2024

घोषणा की तारीख /Date of Pronouncement : 20.12.2024

आदेश / ORDER

PER 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 10.07.2024 for Assessment Year 2019-20.

2. Brief facts of the case are that the appellant is a firm and a non-filer for the year under consideration and specific information was flagged as per Risk Management Strategy formulated by the CBDT for A.Y. 2019-20. As per the specific information,

the appellant has received interest income to the tune of Rs.3,55,301/- from Tamilnad Merchantile Bank Ltd. and interest income of Rs. 2,84,938/- from Vythes Mobile Park, Trichy. Despite the aforesaid transaction and earning taxable income as mentioned supra, the appellant has not filed its return of income for AY 2019-20. Thus, income chargeable to tax has escaped assessment within meaning of section 147 of the Act. Therefore, show cause notice u/s. 148A(b) was issued to the appellant. However, the appellant did not respond to the show cause notice issued u/s. 148A(d), reassessment proceedings in this case were initiated by issuing Notice u/s.148 of the I.T.Act dated 31.03.2023 requiring the appellant to file true and correct income for the A.Y within 30 days from the receipt of the notice. Thereafter several opportunities were accorded to the appellant by way of notices u/s. 143(2), 142(1)/Centralized communication by NEFAC, reminders/SCNs.In response to notice u/s. 148 the appellant filed return of income on 3.4.2023. Subsequently, the AO passed the assessment order u/s. 147 r.w.s. 144 r.w.s. 144B of the I.T. Act on 22.03.2024 and income of Rs.96,58,839/- was assessed treating it as unexplained money u/s. 69A. Aggrieved, the appellant has filed an appeal before the Id. CIT(A). Assessee further challenged the ex-parte order of assessment u/s 147 r.w.s 144 of the Act before the Id.CIT(A) who confirmed the order of the AO on merits. Aggrieved, assessee is in appeal before us.

3. Before the Id. Counsel for assessee submitted that the AO has not properly served notices or given sufficient time to file evidence and documents to substantiate his explanation. The Id.DR stated that the assessee is habitual

defaulter in appearing before the appellate authority hence no lenient view is to be taken in this case and prayed for dismissal of appeal.

4. Though we concur with the submissions of Ld. Sr. DR however, keeping in mind the principle of natural justice and grant another opportunity of hearing to the assessee. We also find that assessee has not properly represented before the Id.CIT(A) despite notices. Accordingly, the impugned order is set aside and the appeal is restored back to the file of Ld. AO for denovo assessment on merits. The Ld.AO shall proceed for denovo assessment after affording proper opportunity of hearing to the assessee. The assessee is directed to substantiate its case with all evidence, confirmations and documents, if any, forthwith without any fail, failing which Ld. AO shall be at liberty to proceed with the assessment proceedings on merits as per law.

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

Order pronounced in the open court on 20th day of December,2024 at Chennai.

Sd/-

(मनोज कुमार अग्रवाल)

(MANOJ KUMAR AGGARWAL)

लेखा सदस्य / ACCOUNTANT MEMBER

चेन्नई Chennai:

दिनांक Dated : 20-12-2024

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

Sd/-

(मनु कुमार गिरि)

(MANU KUMAR GIRI)

न्यायिक सदस्य / JUDICIAL MEMBER