

**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.2637/Chny/2024  
(निर्धारणवर्ष / Assessment Year: 2017-2018)**

Chokkalingam Kumar,  
41/70, Sattanaicken Street,  
Thiruvannamalai 606 601.

**Vs.** The Income Tax Officer,  
Ward 1,  
Thiruvannamalai.

**[PAN: BXDPK 8617G]**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by

: Shri. S. Girish Kumar, Advocate

प्रत्यर्थी की ओर से /Respondent by

: 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 / O R D E R**

**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 16.10.2023 for Assessment Year 2017-18.

2. The registry has noted delay of 01 days in filing the appeal. Considering the period of delay and reasons stated in the condonation application which is supported by an affidavit of Assessee, we condone the delay and admit the appeal for adjudication.

3. Brief facts of the case are that the Appellant is an individual and engaged in the business of trading in rice in the name and style of Ms Sri Sakthi Traders. A notice under section 142(1) of the Act was issued on 14.02.2018 calling for filing of the return of income for the assessment year 2017-18. In response to the above notice, the Appellant filed the return of income electronically on 23.09.2019 admitting a total income of Rs.3,86,220/-. During the scrutiny proceedings, the Assessing Officer had observed that the Appellant had deposited an amount of Rs.15,01,500/- during the demonetization period in Specified Bank Notes. The Appellant during the assessment proceedings had submitted that the cash sales made prior to demonetization were the source for deposits made in Specified Bank Notes. While completing the assessment under section 143(3) of the Act vide order dated 04.12.2019, the Assessing Officer had rejected the explanations offered by the Appellant and had brought to tax an amount of Rs. 15,01,500/- as unexplained money under section 69A of the Act and taxed the same at the rate of 60 percent by invoking the provisions of Section 115BBE of the Act. The Appellant in this appeal vehemently objects to the assessment order passed under section 143(3) of the Act by the Income Tax Officer, Ward - 1, Tiruvannamalai dated 04.12.2019. Assessee further challenged the ex-parte order of assessment u/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.

4. 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.

5. 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.

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

Order pronounced in the open court on 20th 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**