

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL 'B' BENCH, CHENNAI
श्री धुव्वुरु आर.एल रेड्डी, उपाध्यक्ष एवं श्री एस.आर.रघुनाथा, लेखा सदस्य के समक्ष
BEFORE SHRI DUVVURU RL REDDY, VICE PRESIDENT AND
SHRI S.R. RAGHUNATHA, ACCOUNTANT MEMBER

आयकर अपीलसं./ITA Nos.:2307 & 2308/CHNY/2024
निर्धारणवर्ष/Assessment Years:2016-17 and 2017-18

M/s. Lakkna Housing Private Limited,
No. 97/2A, Harini Avenue, Velacherry
Main Road, Guindy Industrial Estate,
Guindy, Chennai 600 032.

Vs. The Assistant Commissioner of
Income Tax,
Corporate Circle 4(1),
Chennai.

[PAN: AABCL3350L]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri R. Subramanian, C.A.
प्रत्यर्थी की ओर से/Respondent by : Shri A. Sasikumar, CIT
सुनवाई की तारीख/Date of Hearing : 27.03.2025
घोषणा की तारीख/Date of Pronouncement : 28.03.2025

आदेश/ ORDER

PER DUVVURU RL REDDY, VICE-PRESIDENT:

Both the appeals filed by the assessee are directed against separate orders of the Id. Commissioner of Income Tax (Appeals), Chennai 18, Chennai both dated 19.08.2024 passed under section 250 of the Income Tax Act, 1961 (hereinafter called 'the Act'). The relevant Assessment Years are 2016-17 and 2017-18.

2. Common issues are raised in both the appeals, hence, they were heard together and are being disposed off by this consolidated order. The

solitary issue argued on merits is with regard to the exparte order passed by the Id. CIT(A) without affording sufficient opportunity to the assessee.

3. The assessee filed its return of income for the assessment year 2016-17 on 17.10.2016 admitting total income of ₹.29,69,990/-. For the assessment year 2017-18, the assessee filed its return on 07.11.2017 admitting income of ₹.31,21,160/-. A search under section 132 of the Income Tax Act, 1961 ["Act" in short] was conducted in the case of M/s. Baalakh Holdings Group and the residential premises of Shri R.V. Raajah, who is one of the director of the assessee company [M/s. Lakkna Housing Private Ltd.]. During the search, loose sheets and a pen drive seized from the premises belong to the assessee. The material seized in case of Shri R.V. Raajah, who is the director of the company have got a bearing on the determination of the income of the assessee company. Accordingly, the Assessing Officer issued notice under section 153C of the Act requiring the assessee to file return of income for both the assessment years. Vide letter dated 06.12.2019, the assessee requested to treat the original return of income as filed in response to the notice under section 153C of the Act. After verifying the details given by the assessee and based on the verification of books of accounts and other documents furnished by the assessee, the Assessing Officer completed the assessment AYs 2016-17 & 2017-18 under section 153C r.w.s. 143(3) of the Act dated 30.12.2019 and determined the income of the assessee at ₹.3,00,08,890/- and

₹.1,31,21,158/- for AYs 2016-17 & 2017-18 respectively after making various additions.

4. Aggrieved, the assessee carried the matter in appeal before the Id. CIT(A) for both the assessment years under consideration. Since there was no response to the hearing notices from the assessee and could not furnish any documentary evidence to substantiate its claim, the Id. CIT(A) dismissed both the appeals filed by the assessee.

5. On being aggrieved, the assessee is in appeal before the Tribunal for both the assessment years. The Id. counsel for the assessee has submitted that due to the circumstances beyond its control, the assessee could not furnish detailed explanation/documentary evidence before the Id. CIT(A). Thus, he prayed that one more opportunity may be afforded to the assessee to pursue its case before the Id. CIT(A).

6. On the other hand, the Id. DR supported the order passed by the Id. CIT(A) and submitted that the assessee has not respond to the hearing notices issued by the Id. CIT(A).

7. We have heard both the parties, perused the material available on record and gone through the orders of authorities below. We note that the assessee has not respond to the hearing notices issued by the Id. CIT(A). We also note that in the absence of written submissions

supported by documentary evidence to have a fair adjudication, the Id. CIT(A) dismissed the appeals of the assessee. On perusal of the impugned order, we note that there was no assistance from the assessee to the hearing notices issued by the Id. CIT(A). Considering the facts and circumstances of the case and submissions of the Id. AR and the Id. DR, in the interest of justice, we deem it proper to remand the matter to the file of the Id. CIT(A) to decide the issue afresh after considering the written submissions/documentary evidence as may be filed by the assessee to substantiate its claim. The assessee is also directed to furnish proper explanation with documentary evidences to substantiate its claim before the Id. CIT(A) without fail, otherwise, the order of the Id. CIT(A) stands sustained. Thus, the ground raised by the assessee is allowed for statistical purposes for both the assessment years under consideration.

8. In the result both the appeals filed by the assessee are allowed for statistical purposes.

Order pronounced in the open Court on 28th March, 2025 at Chennai.

Sd/-

(एस.आर. रघुनाथा)

(S.R. RAGHUNATHA)

लेखा सदस्य/ ACCOUNTANT MEMBER

Sd/-

(धुव्वुरु आर.एल रेड्डी)

(DUVVURU RL REDDY)

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,दिनांक/Date: 28.03.2025

Vm/-

आदेशकीप्रतिलिपिअग्रेषित/Copy to:

1. अपीलार्थी/Appellant,
2. प्रत्यर्थी/ Respondent,
3. आयकरआयुक्त/CIT, Chennai/Madurai/Coimbatore/Salem
4. विभागीयप्रतिनिधि/DR &
5. गार्डफाईल/GF.