

आयकर अपीलीय अधिकरण, 'डी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL 'D' BENCH, CHENNAI
श्री जॉर्ज जॉर्ज के., उपाध्यक्ष एवं श्री एस.आर.रघुनाथा, लेखा सदस्य के समक्ष
BEFORE SHRI GEORGE GEORGE K., VICE-PRESIDENT AND
SHRI S.R. RAGHUNATHA, ACCOUNTANT MEMBER

आयकर अपीलसं./ITA No.: 261/Chny/2025
निर्धारणवर्ष / **Assessment Year: 2017-18**

Mr. Palani,
No. 7/5, 3rd Floor, Meenakshi
Apartments, P.S. Sivaswamy Street,
Mylapore, Chennai 600 004.

Income Tax Officer,
Vs. Circle (OSD)-1,
Trichy.

[PAN: AHIPP3281F]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

आयकर अपीलसं./ITA Nos.: 262 & 263/Chny/2025
निर्धारणवर्ष / **Assessment Years: 2011-12 & 2012-13**

Mrs. Balu Sugunalatha,
No. 7/5, 3rd Floor, Meenakshi
Apartments, P.S. Sivaswamy Street,
Mylapore, Chennai 600 004

The Income Tax Officer,
Non Corporate Ward 1(6)
Chennai.
Vs.

[PAN: AXSPS3623E]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Ms. Jharna B. Harilal, CA
प्रत्यर्थी की ओर से/Respondent by : Shri A. Sasikumar, CIT
सुनवाई की तारीख/ Date of hearing : 19.03.2025
घोषणा की तारीख /Date of Pronouncement : 21.03.2025

आदेश / O R D E R

PER S. R. RAGHUNATHA, ACCOUNTANT MEMBER:

The appeal filed by the assessee in ITA No. 261/Chny/2025 is directed against the order passed by the Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, dated

13.01.2025 and pertains to assessment year 2017-18. The appeals filed by the assessee (Mrs. Balu Sugunalatha) in ITA Nos. 262 & 263/Chny/2025 are directed against separate orders of the Id. CIT(A) dated 29.08.2024 and 24.09.2024 for the assessment years 2011-12 and 2012-13 respectively. Through the aforesaid appeals the assessee has challenged order passed under section 250 of the Income Tax Act, 1961 ["Act" in short].

2. Since these appeals are filed by husband and wife arguing common issue based on the same identical facts, with the consent of both the parties, we proceed to hear the appeals together and pass consolidated order for the sake of convenience.

3. First, we shall take up the appeal in ITA No. 261/Chny/2025 relevant to the assessment year 2017-18 for adjudication.

4. Brief facts of the case are that the assessee is an individual and filed his revised return of income on 30.03.2019 for the assessment year 2017-18. The case was selected for limited scrutiny through CASS to examine large value of cash deposits during demonetization period as compared to returned income. Accordingly, the Assessing Officer issued notice under section 143(2) of the Income Tax Act, 1961 ["Act" in short] requiring the assessee to furnish the details/evidence in support of the return of income. Subsequently, notice under section 142(1) of the Act was also issued to submit detailed working notes for the cash deposits during demonetization

period. Further, summon under section 131 of the Act was also issued, but, however, there was no response from the assessee. Since the assessee could not explain the source for cash deposit during demonetization period, the entire cash deposits to an extent of ₹.11,10,000/- was added to the total income of the assessee as unexplained money under section 69A of the Act and completed the assessment under section 144 of the Act dated 29.12.2019.

5. The assessee carried the matter in appeal before the Id. CIT(A). The assessee could not respond to the notices issued by the Id. CIT(A) and therefore, the appeal of the assessee is dismissed for want of prosecution. On being aggrieved, the assessee carried the matter in appeal before the Tribunal.

6. Before us, when the appeal was taken up for hearing, the assessee personally appeared before the Bench and explained that he shifted to Chennai during the year and was suffering from heart disease and hence could not appear and participate in the proceedings and prayed for one more opportunity of being heard to assessee to substantiate his case before the Assessing Officer.

7. Per contra, the Id. DR opposed the same and drew our attention to page 2 of the assessment order as well as para 4.2 of the impugned

order and argues that the Assessing Officer and Id. CIT(A) afforded ample opportunities to the assessee, but, it was not availed.

8. Heard both the parties and perused the material on record. We note that the assessment was completed under section 144 of the Act dated 29.12.2019. On perusal of the assessment order as well as impugned order, we note that there was no assistance from the assessee to the notices issued by the Assessing Officer as well as hearing notices issued by the Id. CIT(A). We also note that the Assessing Officer issued summon under section 131 of the Act dated 16.12.2019 requiring the assessee to furnish documentary evidence for cash deposits. Taking into consideration of the submissions of the Id. AR and the Id. DR and in the interest of justice, we deem it proper to remand the matter to the file of the Assessing Officer to decide the issue afresh after considering the written submissions/ documentary evidences as may be filed by the assessee to substantiate his claim. Thus, the grounds raised by the assessee are allowed for statistical purposes.

I.T.A. Nos. 262 & 263/Chny/2025 for AY 2011-12 & 2012-13

9. Both the appeals filed by the assessee (wife of Mr. Palani) are delayed by 90 days and 60 days in filing the appeal before the Tribunal for the assessment years 2011-12 and 2012-13 respectively. The assessee filed affidavits for condonation of delay stating the reasons. Upon

hearing both the parties and on examination of the said affidavit, we find the reasons stated by the assessee are bonafide, which really prevented in filing the appeal in time. Thus, the delay is condoned and admitted both the appeals for adjudication.

10. We note that according to the Assessing Officer, the assessee made cash deposits aggregating to ₹.24,50,000/- into her savings bank account with Axis Bank, Trichy and cash deposits exceeding ₹.2 lakhs into her account and also involved in immovable property transaction on joint property on which her portion of sale consideration comes to ₹.1,02,50,000/-. Further, we note from the assessment order that the assessee filed her return of income for AY 2011-12 on 07.05.2014 declaring a total income of ₹.19,07,061/-, which comprises income from salary of ₹.4,20,000/-, house property of ₹.1,16,851/-, income from other sources of ₹.4,327/- and short term capital gain of ₹.13,65,883/-. We note that the Assessing Officer marked the return filed by the assessee as invalid due to the e-verification not done by the assessee. Further, the revised return submitted by the assessee on 15.05.2015 also marked as invalid for the same reason. No more information is available in the assessment order passed under section 144 r.w.s. 147 of the Act dated 23.12.2019.

11. For the assessment year 2012-13, the assessee filed her return of income on 22.07.2013. The Assessing Officer issued notice under section

148 of the Act on 27.03.2018 and also issued notice under section 142(1) of the Act. Since there was no response from the assessee to any of the notices, the Assessing Officer completed the assessment under section 144 r.w.s. 147 of the Act dated 23.12.2019 by assessing total income of the assessee at ₹.36,51,900/-.

12. The assessee carried the matter in appeal before the Id. CIT(A) for both the assessment years under consideration. The Id. CIT(A) dismissed both the appeals for want of prosecution.

13. Having heard both the parties, we find from the impugned orders that the Id. CIT(A) noted the fact that the assessee shifted her residence from Trichy to Chennai and therefore, the notices issued by the Assessing Officer for both the assessment years, the assessee was unaware of the notices sent to the Trichy address. Before us, the Id. AR of the assessee has submitted that non-compliance of the notices issued by the Id. CIT(A) was neither willful nor wanton but due to the circumstances beyond her control as her husband was suffering from heart disease and could not able to concentrate on income tax matters for both the assessment years and prayed that the assessee may be afforded one more opportunity of being heard to substantiate her case before the Assessing Officer. Considering the submissions of the Id. AR and the Id. DR and in the interest of justice, we deem it proper to remand the matter to the file of the

Assessing Officer to decide the issue afresh after considering the written submissions/ documentary evidences as may be filed by the assessee to substantiate her claim. Thus, the grounds raised by the assessee for both the assessment years are allowed for statistical purposes.

14. In the result, all the appeals of both the assessees are allowed for statistical purposes.

Order pronounced in the court on 21st March, 2025 at Chennai.

Sd/-
(जॉर्ज जॉर्ज के.)
(GEORGE GEORGE K)
उपाध्यक्ष /VICE PRESIDENT

Sd/-
(एस. आर.रघुनाथा)
(S. R. RAGHUNATHA)
लेखासदस्य/ACCOUNTANT MEMBER

चेन्नई/Chennai,

दिनांक/Dated, the 21st March, 2025

Vm/-

आदेशकीप्रतिलिपिअग्रेषित/Copy to:

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