

आयकर अपीलिय अधिकरण, 'सी' न्यायपीठ, चेन्नई।
**IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH: CHENNAI**

श्री एबी टी. वर्की, न्यायिक सदस्य एवं
श्री जगदीश, लेखा सदस्य के समक्ष

**BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND
SHRI JAGADISH, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.242/Chny/2025
निर्धारणवर्ष/Assessment Year: 2017-18

Preamraj Nadar Kasirajan, No.11-D, Yathothakari North Mada Street, Kancheepuram-631 502. [PAN: BGOPK 1088 D]	v.	The ITO, Ward-2, Kancheepuram.
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)
अपीलार्थी की ओर से/ Appellant by	:	Mr.S. Dwarakesh, CA
प्रत्यर्थी की ओर से /Respondent by	:	Ms.Anitha, Addl.CIT
सुनवाईकीतारीख/Date of Hearing	:	19.03.2025
घोषणाकीतारीख /Date of Pronouncement	:	05.05.2025

आदेश / ORDER

PER ABY T. VARKEY, JM:

This is an appeal preferred by the assessee against the order of the Learned Commissioner of Income Tax (Appeals)/NFAC, (hereinafter referred to as "the Ld.CIT(A)"), Delhi, dated 27.05.2024 for the Assessment Year (hereinafter referred to as "AY") 2017-18.

2. At the outset, the Ld. Counsel for the assessee submitted that there is a delay of '181' days in filing of this appeal; and explained the reason for cause of delay. Having gone through the facts which led to the



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delay, we find that there was sufficient cause for the cause of delay and hence, we condone the delay of '181' days and proceed to adjudicate the appeal on merits.

3. At the outset, the Ld.AR of the assessee drew our attention to the impugned order of the Ld.CIT(A) which we note it to be a cryptic/one page order wherein, the Ld.CIT(A) after acknowledging that the AO has passed an ex parte order u/s.144 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') has justified such an action for non-participation from the part of the assessee and proceeded to uphold the action of the AO making an addition of Rs.24 lakhs [*out of the total deposit of Rs.30 lakhs as unexplained u/s.69A of the Income Tax Act, 1961 (hereinafter referred to as 'the Act')*]. We note that the Ld.CIT(A) despite finding that AO had passed ex-parte assessment order, has not even bothered to ask assessee 'as to why' he didn't participate in the assessment proceedings and simply confirmed the addition without looking into the merits of the contentions raised by the assessee to support the grounds of appeal. In this regard, the Ld.CIT(A) is noted to have passed cryptic order, confirming the addition made by the AO, and that too without discussing the merits of the addition, which impugned action of the Ld.CIT(A) can't be accepted for the reason that the Ld.CIT(A) has confirmed the order of the AO without passing a speaking order. Therefore, we don't countenance the action of the Ld.CIT(A).



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Having said so, we take note that the assessment order has also been passed ex parte order qua assessee and in this regard, it has been brought to our notice that pursuant to the notice issued by the AO, the assessee is noted to have filed return of income (RoI) on 29.10.2019 returning an income of Rs.5,93,250/- and explained the source of the cash deposits of Rs.30 lakhs. According to the assessee, the cash deposits of Rs.30 lakhs was trade receipts. And the AO has accepted the assessee's contention as to the nature and source of Rs.6 lakhs but treated the balance of Rs.24 lakhs as unexplained which action of the AO according to the Ld.AR is erroneous. According to the Ld.AR, the entire cash deposits of Rs.30 lakhs, the nature of deposits is same as that of Rs.6 lakhs, therefore, Rs.24 lakhs takes colour from the same as that of Rs.6 lakhs accepted by the AO and so, it can't be treated differently. For buttressing his submissions, the assessee has filed the VAT Returns supporting the trade, which fact is found placed at Page Nos.31-159 of the Paper Book, which is a relevant document to support the claim of the assessee. Since the same has not been filed before the AO, in the interest of both the parties, we set aside the impugned order of the Ld.CIT(A) and restore the assessment back to the file of the AO for de-novo assessment to prove the nature and source of the balance amount of Rs.24 lakhs. The assessee to present these relevant evidences before the AO and the AO to consider the same, and other relevant documents



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filed by the assessee before him to prove the nature and source of cash deposits and pass order in accordance to law after hearing the assessee.

4. In the result, appeal filed by the assessee is allowed for statistical purposes.

Order pronounced on the 05th day of May, 2025, in Chennai.

Sd/-

(जगदीश)
(JAGADISH)

लेखा सदस्य/**ACCOUNTANT MEMBER**

Sd/-

(एबी टी. वर्की)
(ABY T. VARKEY)

न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 05th May, 2025.

TLN

आदेश की प्रतिलिपि अग्रेषित /**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT, Chennai / Madurai / Salem / Coimbatore.
4. विभागीय प्रतिनिधि/DR
5. गार्डफाईल/GF