

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

श्री एबी टी. वर्की, न्यायिक सदस्य एवं श्री अमिताभ शुक्ला, लेखा सदस्य के समक्ष
BEFORE SHRI ABY T VARKEY, JUDICIAL MEMBER AND
SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.1150/Chny/2025
Assessment Years: 2018-19

Ganeshkumar Balakumar,
Plot No.16, 3rd Street,
Urapakkam, Guduvanchery,
Chennai-603 302.
[PAN: AGKPG8702F]

Deputy Commissioner of Income
Tax,
Corporate Circle-3(1)
Chennai.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Assessee by
प्रत्यर्थी की ओर से /Revenue by

: Shri P.M.Kathir, Advocate
: Ms.R.Anitha, Addl. CIT

सुनवाई की तारीख/Date of Hearing

: 09.07.2025

घोषणा की तारीख /Date of Pronouncement

: 08.08.2025

आदेश / ORDER

PER AMITABH SHUKLA, A.M :

This appeal is filed by the assessee against the order bearing DIN & Order No.ITBA / NFAC / S / 250 / 2024-25 / 1075272478(1) dated 30.03.2025 of the Learned Commissioner of Income Tax [herein after "CIT(A), National Faceless Appeal Center[NFAC], Delhi, for the assessment year 2018-19. The reference to the word "Act" in this order hereinafter shall mean the Income Tax Act, 1961 as amended from time to time.

2.0 At the outset, the Ld.Counsel for the assessee submitted that its natural right of being heard has been violated in this case as he has not been accorded due opportunity of being heard. It has been contended that order u/s 144 has been passed by the Ld.AO by unilaterally making addition of Rs.6,77,940/- as an unexplained purchases. The Ld.AO had made addition relying upon some data shared by CBIC regarding import value of purchases made by the assessee. The Ld.Counsel submitted that even the Ld.CIT(A) has adjudicated the matter without considering the submissions made by the appellant. It was stated that the Ld.CIT(A) also did not consider the evidences produced by it. It was accordingly requested that the matter be remitted back to the Ld.AO.

3.0 Per Contra, the Ld.DR placed reliance upon the order of lower authorities.

4.0 We have heard rival submissions in the light of material available on records. We have noted that there exists considerable confusion as to the facts of the case noted by the Ld.CIT(A). In para 9 of his order he has recorded as under:-

“.....During the course of appellate proceedings, the appellant submitted additional evidence which were not before the AO. Accordingly, remand report was sought from the AO. AO after considering the submission of the appellant ad after giving him opportunities of being heard concluded that appellant failed to provide sufficient evidences in support of his claim. At the appellate stage the appellant did not provide any new evidence or supporting documents in support of his claim. Therefore, I am not inclined to interfere with the decision of the AO....”

It appears therefrom that the Ld.First Appellate Authority is referring to contradictory findings. On one hand he alludes that the appellant had filed some additional evidences, not filed earlier before the Ld.AO, which were confronted to the Ld.AO for remand report. On the other hand, he writes that “....At the appellate stage the appellant did not provide any new evidence or supporting documents in support of his claim....”. It goes on to create the confusion as to if the appellant had not filed any new evidence during appellate stage where was the need for asking the Ld.AO to submit a remand report. Be that as it may be, we are of the view that the matter concerning the unexplained purchases claimed to have been made by the assessee have not been objectively and comprehensively analyzed by the lower authorities. We are of the view that ends of justice would be met if the assessee is given one last opportunity to present its case and file supporting evidences before the Ld.AO. The decision to remit it back to the Ld. AO is taken in view of the fact that an Assessing Officer is the fulcrum of assessment proceedings. He possess the first right and responsibilities to examine facts of a case before arriving at his decision qua determination of taxable income in a particular case. Without prejudice it has also been noted that in this case the Ld. AO did not have adequate opportunities to examine the varied facts seminal therein. We have noted with respectful deference the decision of Hon’ble Apex Court in the case of TIN box 249 ITR 216 on the

subject matter. Accordingly, the issue of addition made by the Ld. AO amounting to Rs. 6,77,940/- stands remitted back to the Ld. AO for fresh adjudication de novo in accordance with law and by passing a speaking order. To the extent the order of lower authorities on this issue stands set aside. The Ld. AO shall give opportunities of being heard to the assessee and it shall be bounden upon the assessee to comply with the notices issued by the Ld. AO. Any non-compliance on the part of the assessee can be adversely viewed. The assessee is at liberty to produce all the evidences filed through its paper book before us including any other evidences deemed relevant in support of its claims before the Ld. AO during the readjudication proceedings. Accordingly, all the grounds of appeal raised by the assessee are therefore allowed for statistical purposes.

5.0 In the result, the appeal is allowed for statistical purposes.

Order pronounced on 8th, Aug-2025 at Chennai.

Sd/-

(एबी टी. वर्की)

(ABY T VARKEY)

न्यायिक सदस्य / Judicial Member

चेन्नई/Chennai, दिनांक/Dated: 8th, Aug-2025.
KB/-

Sd/-

(अमिताभ शुक्ला)

(AMITABH SHUKLA)

लेखा सदस्य /Accountant Member

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent

3. आयकर आयुक्त/CIT - Chennai/Coimbatore/Madurai/Salem.
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF