

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

माननीय श्री मनु कुमार गिरि ,न्यायिक सदस्य एवं माननीय श्री अमिताभ शुक्ला, लेखा सदस्य के समक्ष
BEFORE HON'BLE SHRI MANU KUMAR GIRI, JUDICIAL MEMBER AND
HON'BLE SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.535/Chny/2025
Assessment Years: 2021-22

Rajamani Nallathal,
D.No.67/3, Karukkampalayam,
Kondanthur, Aravakurichi, Karur,
Tamil Nadu-639 206.
[PAN: AREPN4321J]

Income Tax Officer,
Ward-1,
Karur.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

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

: Mr.Y.Sridhar, F.C.A.
: Mr.P.Krishna Kumar, JCIT

सुनवाई की तारीख/Date of Hearing : 11.08.2025
घोषणा की तारीख /Date of Pronouncement : 13.08.2025

आदेश / O R D E R

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 / 1071724840(1) dated 31.12.2024 of the Learned Commissioner of Income Tax [herein after "CIT(A), National Faceless Appeal Center[NFAC], Delhi, for the assessment year 2021-22. 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 proposed to file an additional ground of appeal for adjudication. It was contended that through the impugned additional ground the assessee wishes to challenge the action of the Ld.AO in not providing sufficient time to the assessee before concluding the impugned assessment.

3.0 Through the original appeal memo the appellant has contested the action of the Ld.AO in making addition of Rs.2,12,70,292/- under different heads comprising unexplained credit entries of Rs.1,97,85,342/-, Rs.11,38,752 as unexplained investment, Rs.1,46,200/- as income from other sources and Rs.2 lakhs as unexplained interest paid on housing loans.

4.0 The Ld.Counsel for the assessee filed a voluminous paper book and attempted to allude that the additions made by the Ld.AO were based upon inappropriate and incorrect understanding of the facts of the case. It was also argued that the Ld.AO has not provided him with adequate opportunity of being heard and had given very little time to submit its details and submissions. The Ld.CIT(A) also merely relied upon the argument of the Ld.AO qua non-production of requisite details while confirming the Ld.AO's order.

5.0 Per contra, the Ld.DR relied upon the order of lower authorities. It was argued that the blame of non-submission of details was resting upon the assessee and hence no relief can be given.

6.0 We have heard the rival submissions in the light of material available on records. From the paper book filed by the assessee it is evident that some of the additions made by the Ld.AO are linked to inadequate understanding of the details on record or to the non-availability of submissions. Thus, on the issue of unexplained interest on housing loans the Ld.AO has made the additions of Rs.2 lakhs holding that the precise entry for interest is not available. The Ld.Counsel has argued that the entry of Rs.2 lakhs treated as unexplained by the Ld.AO includes interest and other charges. Similarly on the issue of addition of agricultural income of Rs.1,46,200/- the assessee has pleaded that it owns nearly 20 acres of land holding and has been engaged in the agricultural activity for earlier years also. The Ld.AO has merely proceeded to make the addition on the premise of lack ownership etc. We have also noted that there exists atleast an iota of truth in the pleadings of the assessee of not being given sufficient time to file details . Grant of sufficient opportunity of being heard is *sine qua non* for every judicial proceedings. General clauses Act provides for atleast seven days of opportunity to a litigant to comply with any statutory notices. We also however find merit in the argument of the Ld.AO regarding the assessee pushing the matter towards the fag end of the assessment and his helplessness to conclude so as to avoid the same getting barred by

limitation. In view of assessee's reported deficient compliances, grant of short time alone however cannot be fatal to the assessment order per se.

7.0 Be that as it may be, we are of the view that the matter concerning additions of Rs.2,12,70,292/- 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. 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 of Rs.2,12,70,292/- made by the Ld. AO supra stands remitted back to the Ld. AO for fresh adjudication de novo 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.**

8.0 In the result, the appeal of the is allowed for statistical purposes.

Order pronounced on 13th , Aug-2025 at Chennai.

Sd/-

(मनु कुमार गिरि)

(MANU KUMAR GIRI)

न्यायिक सदस्य / Judicial Member

Sd/-

(अमिताभ शुक्ला)

(AMITABH SHUKLA)

लेखा सदस्य /Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 13th , Aug-2025.

KB/-

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