

आयकर अपीलीय अधिकरण, 'डी' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'D' 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.1811/Chny/2025
Assessment Years: 2018-19

Income Tax Officer (Exemptions),
Tirunelveli

Thoothukudi Nazareth Diocesan
Trust Association India,
Nellai City Center, Rahmath Nagar,
Tirunelveli,
Tamil Nadu-627 011.
[PAN: AAATT9724G]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Assessee by

: Mr.R.Vijayaraghavan, Advocate
(Virtual),

प्रत्यर्थी की ओर से /Revenue by

: Shri Veeramany K, IRS

सुनवाई की तारीख/Date of Hearing

: 25.08.2025

घोषणा की तारीख /Date of Pronouncement

: 03.09.2025

आदेश / O R D E R

PER AMITABH SHUKLA, A.M. :

This appeal is filed by the Revenue against the order bearing DIN & Order No.ITBA / NFAC / S / 250 / 2025-26 / 1075921115(1) dated 30.04.2025 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, as regards the Ld. DR for the Revenue submitted that the Ld.CIT(A) has deleted the addition made by the Ld.AO of Rs.1,03,95,256/- invoking different provisions of the Act. It was submitted that Ld.AO was compelled to pass an ex-parte order as the assessee had not been forthcoming in supporting the requisite details. The Ld.AO had noted glaring discrepancies in the financials of the assessee. It was argued that the case was selected for reassessment u/s 147 / 148 on account of information regarding unexplained / unaccounted cash deposits, time deposits, interest income and income from rent coupled with the fact that no return of income was filed for AY-2018-19. It was stated that the assessee chose not to file any return of income was filed for AY-2018-19 in response to notice u/s 148. Considering lukewarm response and inadequate response from the end of the assessee to explain its financial relations with the The Church of South India Trust Association(CSIT), the Ld.AO proceeded to make the impugned addition. The Ld.DR vehemently argued that the relief accorded by the Ld.CIT(A) is totally unwarranted and excessive as the same is based upon decision taken in an order u/s 148A(d) dated 26.02.2024 in assessee's own case for AY-2020-21. It was argued that principles of res judi cita do not apply to direct taxes statute. The Ld.DR

further argued that, the Ld.CIT(A) has not given any decision on merits and has not passed a speaking order. It was stated he has merely reproduced assessee's arguments to conclude appropriateness thereof. The Ld.DR pleaded for, in the interest of justice, remitting the matter back to the Ld.AO for readjudication.

3.0 The Ld.Counsel for the assessee fairly conceded that the Ld.AO has passed the ex-parte order. It was consented that the assessee would have no objection if the matter is remitted back to the Ld.AO for readjudication de novo. Assurance was given that full compliance would now be made.

4.0 We have heard rival submissions in the light of material available on records. As per facts recorded by the Ld. AO in his order, he had given opportunities to the assessee for filing the required details which were not satisfactorily filed by the assessee leading to his making the impugned addition by way of an ex-parte order. We have however noted that the order passed by the Ld. AO is not a speaking order and clear facts have not been brought on records before making the impugned addition. There are also indications of no enquiries conducted by the Ld.AO. The Ld.First Appellate Authority also has passed a cryptic non-speaking order by merely reproducing the assessee's submissions.

5.0 We have thus noted that inadequate submission of details and evidences, before the lower authorities lies at the core of the controversy. We are therefore of the view that ends of justice would be met if the assessee is given one last opportunity to present its case and file all supporting evidences before the Ld.AO. The assessing officer is the primary authority under the income tax act to be examine facts of a case in the light of available evidences before determining correct taxable income of a tax payer. 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 therefore set aside the order of lower authorities on this issue and we direct the Ld. AO to readjudicate the matter de novo by examining the matter afresh in accordance with law and by passing a speaking order. Reliance in this regard is placed upon the decision of Hon'ble Apex Court in the case of TIN box 249 ITR 216. 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. **Accordingly, all the grounds of appeal raised by the Revenue on this issue are allowed for statistical purposes.**

6.0 In the result, the appeal of the Revenue on this issue is allowed for statistical purposes.

Order pronounced on 3rd, Sept-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: 3rd, Sept-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