

**आयकर अपीलिय अधिकरण 'ए' न्यायपीठ चेन्नई में।**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**'A' BENCH, CHENNAI**

**BEFORE SHRI SS VISWANETHRA RAVI, JUDICIAL MEMBER AND**  
**SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER**

ITA No. 1893/Chny/2025  
(Assessment Year 2018-19)

Chakrapani Nagarajan, No. 45, Duraiswamy Garden, 1 <sup>st</sup> Floor, Saidapet, Chennai-600015 (Tamil Nadu) <b>PAN No. AACAPN 3674 M</b>	Vs.	I.T.O., Non-corporate Ward 19(3), Aayakar Bhawan-Annexe Building, No. 121, M.G. Road, Nungambakkam, Chennai-600034 (Tamil Nadu)
Appellant/ Assessee		Respondent/ Revenue

Assessee represented by	Shri S.P. Chidambaram, Advocate
Department represented by	Ms. Sandhya Rani Kure, JCIT.
Date of hearing	16/09/2025
Date of pronouncement	26/09/2025

**PER: RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER:**

1. This appeal by the assessee is directed against the order of National Faceless Appeal Centre, Delhi (NFAC)/learned Commissioner of Income Tax (Appeals) [in short, the Id. CIT(A)] dated 17/02/2025 for the Assessment Year (AY) 2018-19 as per ground of appeal on record.
2. At the outset of hearing, we found from perusal of record that there is delay of 63 days in filing this appeal before this Tribunal for which, the assessee has filed an application for condonation of delay in the form of affidavit mentioning the fact that the due to ill health of son of the assessee and other personal problems, the assessee could not file appeal within the prescribed time limit. The concerned Chartered Accountant was also travelling during the month of April

and May and accessed my e-portal only during the 2<sup>nd</sup> week of June and intimated the assessee that order has been passed by the First Appellate Authority. Thereafter the concerned Chartered Accountant of the assessee approached the present Id. AR and then filed the appeal before the Tribunal. The assessee stated that the delay is not intentional and deliberate, the same was due to situation beyond his control. He has good case on merit and is likely to succeed, if one more opportunity is provided to the assessee.

3. On the other hand, the Id. Sr.DR for the revenue on the application of condonation of delay, submitted that the Bench may take appropriate view as per law.
4. We have considered the rival submissions. On the issue of condonation of delay, we find that the delay was not deliberate and occurred due to ill health of son of assessee as mentioned in the application for condonation of delay. Thus, we condone the delay of 63 days in filing this appeal before the Tribunal and admit the same for hearing.
5. On merit of the case, the brief facts of the case are that the assessee had not filed return of income for the assessment year under consideration as per the information flagged under Risk Management Strategy formulated by the CBDT through ITBA Portal. It was noticed that the assessee had sold immovable property amounting to Rs. 1,11,75,000/-. Further the assessee had received contract payments of Rs. 8,18,640/- from one M/s Estrat Logistics Private Limited during the assessment year under consideration. The case of the assessee was, therefore, reopened under Section 148A(d) of the Income Tax

Act, 1961 (in short, the Act) dated 27/03/2022. Subsequently, notice under Section 148 of the Act was issued to the assessee on 31/03/2022. However, the assessee did not file any return of income even in response to notice under Section 148 of the Act. The Assessing Officer issued notices under Section 142(1) of the Act from time to time and delivered it to assessee through e-mail, however, the assessee filed only part reply alongwith enclosed copy of computation of capital gains, copy of purchase deed, copy of construction agreement and other related documents but still the return of income was not filed by the assessee for the assessment year under consideration. The Assessing Officer, therefore, computed the income of the assessee by taking the entire sale consideration of Rs. 1,11,75,000/- as capital gains and added to the total income of the assessee. Further the Assessing Officer also added a sum of Rs. 65,491/- under Section 44AD of the Act.

6. Aggrieved by the order of Assessing Officer, the assessee filed appeal before the Id. CIT(A) but did not furnish any evidence in support of its grounds of appeal raised before the Id. CIT(A). In absence of any documentary evidence and substantial response, the Id. CIT(A) confirmed the additions made by the Assessing Officer.
7. Further aggrieved by the order of Id. CIT(A), the present appeal has been filed before this Tribunal.
8. During the appellate proceedings before us, the assessee raised a legal ground that the notice issued under Section 148 of the Act is void as the notice was issued by the Jurisdictional Assessing Officer (JAO) and not by Faceless

Assessing Officer (FAO). It was also submitted by the Id. AR of the assessee that the capital gains worked out by the Assessing Officer and duly confirmed by the Id. CIT(A) has no basis as the land, which was sold, was an agricultural land and is exempt from income under Section 2(14) of the Act. The assessee also submitted that the estimation of income by the Assessing Officer under Section 44AD of the Act by computing 8% as gross profit on the total contract receipts is also not justified. The Id. AR then conceded that there was no compliance by the assessee both before the Assessing Officer and the Id. CIT(A) and in the interest of justice, the issue may be restored back to the file of Assessing Officer to adjudicate the entire issue afresh.

9. The Id. Sr.DR, on the other hand, justified the action of the lower authorities and submitted that the assessee does not deserve any leniency. On the legal ground raised by the assessee, the Id. Sr.DR submitted that the same was not objected either before the Assessing Officer or before the Id. CIT(A) and thus, raising this issue for the first time before the Tribunal is not proper and tenable.
10. We have considered the rival submissions, we find it proper to restore the issue back to the file of Assessing Officer for fresh adjudication. The assessee was directed to raise all the issues before the Assessing Officer first and provide all documents/evidences to substantiate its claim which the Id. AR of the assessee has taken before us and also undertake that the assessee will make necessary compliance before the Assessing Officer and submit all the relevant documents.

In the result, the grounds of appeal raised by the assessee are allowed for statistical purposes only.

11. In the result, this appeal of assessee is allowed for statistical purposes.

Order pronounced in the open court on 26/09/2025.

Sd/-  
**(SS VISWANETHRA RAVI)**  
**JUDICIAL MEMBER**

Sd/-  
**(RATNESH NANDAN SAHAY)**  
**ACCOUNTANT MEMBER**

Chennai, Dated: 26/09/2025

*\*Ranjan*

Copy to:

1. Assessee
2. Revenue
3. CIT
4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Chennai