

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

श्री एबी टी. वर्की, न्यायिक सदस्य एवं  
श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष

**BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND  
SHRI S.R.RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.2818/Chny/2025  
निर्धारण वर्ष/Assessment Year: 2018-19

C-2497 Patchur PACCS, Patchur Village, Patchur Post, Tirupattur Taluk, Tirupattur District-635 854. [PAN: AABAC 1587 G]	v.	The ITO, Ward-2, Vellore.
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)
अपीलार्थी की ओर से/ Appellant by	:	Mr.G. Goudhaman, CA
प्रत्यर्थी की ओर से /Respondent by	:	Ms. R. Anitha, Addl.CIT
सुनवाईकीतारीख/Date of Hearing	:	04.02.2026
घोषणाकीतारीख /Date of Pronouncement	:	11.02.2026

**आदेश / ORDER**

**PER ABY T. VARKEY, JM:**

This is an appeal preferred by the assessee Primary Agricultural Co-op. Credit Society (PACCS) against the order of the Learned Commissioner of Income Tax (Appeals)/NFAC, (hereinafter referred to as "the Ld.CIT(A)"), Delhi, dated 18.08.2025 for the Assessment Year (hereinafter referred to as "AY") 2018-19.

2. At the outset, the Ld.AR of the assessee drew our attention to the assessment order and Ld.CIT(A)'s order and submitted that both orders are ex parte qua assessee; and therefore, prayed for one more



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opportunity be granted to the assessee before the AO by citing the decision of the Hon'ble Supreme Court in the case of TIN Box Co. v. CIT reported in [2001] 249 ITR 216 (SC).

**3.** The brief facts of the case are that the assessee is a Primary Agricultural Co-op. Credit Society (PACCS) which didn't file its return of income (RoI) for AY 2018-19. The AO got information that the assessee had deposited cash of ₹2,44,47,795/- in its bank account [maintained with the Vellore CCB Bank Ltd.], and failed to submit the RoI. So, he reopened the assessment by issuing notice u/s.148 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') on 31.03.2022 and noted that despite several notices, the assessee didn't bother to respond/comply with the same. Therefore, he made addition of ₹2,68,21,795/- by passing the assessment order on 08.03.2023. Aggrieved, the assessee preferred an appeal before the Ld.CIT(A) who passed the impugned order dismissing the appeal by observing that the assessee had been non-compliant before the AO and gave only a submission before him and therefore, he sustained the addition of ₹2,68,21,795/- u/s.69 & 69A r.w.s.115BBE of the Act. The assessee is in appeal against the impugned action of the Ld.CIT(A) as well as the AO since huge tax burden has been fastened by the ex parte orders passed by the AO/Ld.CIT(A); and prayed for one more opportunity before the AO by citing the decision of the Hon'ble Supreme Court in the case of TIN Box Co. (supra).



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**4.** Per contra, the Ld.DR opposes the plea of the assessee and doesn't want us to give one more opportunity to the assessee.

**5.** We have heard both the parties and perused the material available on record, we note that the assessment order has been passed ex parte by making huge addition of ₹2,68,21,795/-. According to the assessee, due to technical glitches in the internet/system, the assessee couldn't respond properly to the notices of the AO which led to huge addition. Before the Ld.CIT(A) also, according to the Ld.AR, the assessee couldn't upload all the relevant documents which led him to pass the ex parte order against the assessee. Be that as it may, the assessee is noted to be a Primary Agricultural Co-op. Credit Society, and is providing credit facilities to its members, in order to aid cultivation and related activities of the members. According to the assessee, it has made cash deposits of ₹2,68,21,795/- in the Vellore CCB Bank Ltd., which according to it are loan repayment and deposits made by the members of the assessee-society etc. According to the assessee, it had uploaded the entire details of the cash deposits with the said Co-op. Bank running more than '50' pages before the Ld.CIT(A). However, the same has been brushed aside by the Ld.CIT(A) who without assigning any reason concurred with the action of the AO making ex parte order against the assessee. We find force in the grievance raised by assessee, and without commenting on the merits of the addition, we are of the view that the assessee didn't get



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proper opportunity before the AO which resulted in the AO making huge addition of ₹2.68 Crs. Hence by relying on the decision of the Hon'ble Supreme Court in the case of TIN Box Co. supra, we are remitting the assessment back to AO for fresh assessment. In TIN Box Co. supra Hon'ble Supreme Court held as under;-

*1. It is unnecessary to go into great detail in these matters for there is a statement in the order of the Tribunal, the fact-finding authority, that reads thus :*

*"We will straightaway agree with the assessee's submission that the Income-tax Officer had not given to the assessee proper opportunity of being heard."*

*2. That the assessee could have placed evidence before the first appellate authority or before the Tribunal is really of no consequence for it is the assessment order that counts. That order must be made after the assessee has been given a reasonable opportunity of selling out his case. We, therefore, do not agree with the Tribunal and the High Court that it was not necessary to set aside the order of assessment and remand the matter to the assessing authority for fresh assessment after giving to the assessee a proper opportunity of being heard.*

*3. Two questions were placed before the High Court, of which the second question is not pressed.*

*The first question reads thus:*

*"1. Whether, on the facts and in the circumstances of the case, the Tribunal was justified in not setting aside the assessment order in spite of a finding arrived at by it that the Income-tax Officer had not given a proper opportunity of hearing to the assessee?"*

*4. In our opinion, there can only be one answer to this question which is inherent in the question itself: in the negative and in favour of the assessee.*

*5. The appeals are allowed. The order under challenge is set aside. The assessment order, that of the Commissioner (Appeals) and of the Tribunal are also set aside. The matter shall now be remanded to the assessing authority for fresh consideration, as aforesaid. No order as to costs.*



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6. Respectfully following the decision of the Hon'ble Supreme Court (supra), 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. The Ld.AR has undertaken to file all the relevant documents necessary for making its claim and is at liberty to file relevant documents to substantiate its claim. The AO is directed to frame fresh assessment in accordance to law after hearing the assessee.

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

Order pronounced on the 11<sup>th</sup> day of February, 2026, in Chennai.

**Sd/-**  
**(एस. आर. रघुनाथा)**  
**(S.R.RAGHUNATHA)**  
लेखा सदस्य/**ACCOUNTANT MEMBER**

**Sd/-**  
**(एबी टी. वर्की)**  
**(ABY T. VARKEY)**  
न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,  
दिनांक/Dated: 11<sup>th</sup> February, 2026.  
**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