

**THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD BENCH "A", HYDERABAD**

**BEFORE SMT P. MADHAVI DEVI, JUDICIAL MEMBER  
AND SHRI S. RIFIAUR RAHMAN, ACCOUNTANT MEMBER**

**ITA No.596/Hyd/2016  
Assessment Year: 2011-12**

Shri Krishna Prasad  
Pushadapu,  
Hyderabad

vs. ITO, Ward-12(3),  
Hyderabad

PAN – AGYPP2119H

(Appellant)

(Respondent)

Assessee by : Shri ASRSS Siva Prasad  
Revenue by : Smt. B.K. Vishnu Priya

Date of hearing : 26-04-2018  
Date of pronouncement : 27-04-2018

**ORDER**

**PER P. MADHAVI DEVI, J.M.:**

This is assessee's appeal for the A.Y 2011-12 against the assessment order passed by the CIT(A)-1, Hyderabad dated 27.01.2016.

2. Brief facts of the case are that the assessee an individual, filed his return of income for the A.Y 2011-12 on 30.07.2011 admitting an income of Rs. 1,58,240/-. During the assessment proceedings u/s 143(3) of the IT Act, the A.O observed that there were cash deposits in savings bank account of the assessee in SBI. The assessee was, therefore, asked to furnish

the sources for such deposits. Since the assessee failed to produce any details, the A.O brought it to tax. Aggrieved, the assessee preferred an appeal before the CIT(A) and also submitted that a total sum of Rs. 35,50,700/- was deposited by his employer into his bank account to meet various expenses of the company as the directors of the company were travelling. With regard to a sum of Rs. 8.8 lakhs, he submitted that they were chit fund amounts paid to him and with regard to balance of Rs. 6,76,290/-, he explained it to be from his friends and relatives. The CIT(A), however did not allow the explanations of the assessee and confirmed the order of the A.O and the assessee is in second appeal before us.

3. The Ld. Counsel for the assessee has drawn our attention to the documents filed in the paper book which were filed before the CIT(A) and submitted that the CIT(A), neither called for a remand report, nor has verified the evidence by herself. Therefore, he prayed that the issue be remitted to the file of the A.O.

4. The Ld. DR, on the other hand, relied on the orders of the authorities below.

5. Having regard to the rival contentions and material placed on record, we find that the assessee has filed explanations before the CIT(A) along with the relevant evidence. The CIT(A) has not rejected the said evidence. That being the case, she ought to have called for a remand report from the A.O or verified the documents by herself. Since, none of these steps were taken by the CIT(A), We are of the opinion that, in the interest of justice, the case should be remitted to the file of the A.O for verification of the details filed by the assessee before the CIT(A) and consideration of the issue de-novo in accordance with law. Needless to mention that the assessee should be given a fair opportunity of hearing. Accordingly, the appeal is allowed.

6. In the result, the appeal filed by the assessee is allowed.

Pronounced in the open court on 27<sup>th</sup> April, 2018.

Sd/-

**(S. RIFAUH RAHMAN)  
ACCOUNTANT MEMBER**

Sd/-

**(P. MADHAVI DEVI)  
JUDICIAL MEMBER**

Hyderabad, Dated: 27<sup>th</sup> April, 2018

KRK

- 1 Sri Krishna Prasad P. H.No 8-3-229/W/28&29, Flat G-7, Sai Raj Towers, Hyderabad.
- 2 ITO, Ward 12(3), Hyderabad.
- 3 CIT(A)-1, Hyderabad.
- 4 The Pr. Commissioner of Income tax-1, Hyderabad.
- 5 The DR, ITAT Hyderabad
- 6 Guard File