

IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD
BENCH "A-SMC", HYDERABAD

BEFORE SHRI A. MOHAN ALANKAMONY,
ACCOUNTANT MEMBER

ITA No.638/Hyd/2019		
Assessment Year: 2014-15		
Sri Issac Maliyil G. Ernakulam, Kerala. PAN: AAMPI 1196 B	Vs.	DCIT, Circle-12(1), Hyderabad.
(Appellant)		(Respondent)
Assessee by:	Smt. S. Sandhya	
Revenue by:	Sri K. Ravi Kiran, DR	
Date of hearing:	21/11/2019	
Date of pronouncement:	11/12/2019	

ORDER

This appeal is filed by the assessee against the order of the Ld. CIT(A)-8, Hyderabad in appeal No. 10375/2018-19, dated 7/3/2019 passed U/s. 143(3) r.w.s 250(6) of the Act for the A.Y. 2014-15.

2. The assessee has raised the following grounds in his appeal:-

"1. The order of the Ld. CIT(A) is erroneous both on facts and in law.

2. The Ld. CIT(A) erred in confirming the addition of Rs. 10,00,000/- made by the A.O. U/s. 68 of the Act without considering the fact that the appellant proved the sources for depositing the amount into the bank account.

3. The Ld. CIT(A) ought to have seen that the appellant had substantial income and the creditors confirmed the fact that they invested the deposits made into the bank account of the appellant.

4. *Any other ground or grounds that may be urged at the time of hearing.*”

3. At the outset, the Ld. AR submitted that the Ld. CIT (A) has passed ex parte order without providing an opportunity to the assessee of being heard. It was further argued that the ld. AO passed order without providing sufficient opportunity to the assessee in order to present cogent evidence in support of his claim that the amount deposited in the bank account was the amount reived from the policy holder towards his policy premium which the assessee was supposed to remit to the insurance company. Therefore, It was pleaded that the matter may be remitted back to the file of the Ld AO in order to provide one more opportunity to the assessee to pursue the appeal. Ld. DR, on the other hand, vehemently opposed to the submissions of the Ld. AR and argued that sufficient opportunities were provided to the assessee however, on the given dates of hearing, neither the assessee nor his Representative appeared before the Ld. CIT (A) and the assessee had also not submitted evidence to substantiate his claim before the ld. AO. It was further argued that the Ld. CIT (A) had no other option but to pass ex-parte order based on the materials available on record. Hence, it was pleaded that the order passed by the Ld. Revenue Authorities does not call for interference and the appeal of the assessee may be dismissed.

4. I have heard the rival submissions and carefully perused the materials on record. On examining the facts of the case, I find merit in the submissions of the Ld. DR. The Ld. CIT (A) had posted the case on several occasions. However, none appeared on behalf of the assessee before the CIT(A) on the dates of hearing. Therefore, the Ld. CIT (A) was left with no other option except to adjudicate the appeal ex-parte. In this situation, I do not find much strength in the arguments advanced by the ld. AR. However, considering the merits of the case, I find that the Ld. AO ought to have properly examine the claim of the assessee because if the cash deposit in the bank account belongs to the policy holder then the assessee would have remitted the same to the insurance company and that could have been verified from the bank statement of the assessee. Therefore, in the interest of justice, I hereby remit the matter back to the file of Ld. AO in order to consider the appeal afresh on merits by providing one more opportunity to the assessee of being heard and the assessee is at liberty to adduce any fresh evidence before the Ld. AO in order to justify his stand. At the same breath, I also hereby caution the assessee to promptly co-operate before the Ld. Revenue Authorities in their proceedings failing which the Ld. Revenue Authorities shall be at liberty to pass appropriate order in accordance with law and merits based on the materials on the record. It is ordered accordingly.

5. In the result, appeal filed by the assessee is allowed for statistical purposes as indicated hereinabove.

Pronounced in the open Court on 11th December, 2019.

Sd/-
(A. MOHAN ALANKAMONY)
ACCOUNTANT MEMBER

Hyderabad, Dated: 11th December, 2019
OKK

Copy to:-

- 1) Sri Issac Maliyil G, Maliyil House, Pindimana P.O., Kothamangalam, Ernakulam, Kerala – 686691.
- 2) DCIT, Circle-12(1), Aayakar Bhavan, Basheerbagh, Hyderabad-500029.
- 3) The CIT(A)-8, Hyderabad
- 4) The Pr. CIT-1, Hyderabad
- 5) The DR, ITAT, Hyderabad
- 6) Guard File