

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD 'SMC' BENCH : Hyderabad**

(Through Video Conference)

BEFORE SHRI S.S. GODARA, JUDICIAL MEMBER

**ITA No. 208/Hyd./2020
Assessment Year: 2016-17**

Shri Arun Tallapalli Karanam
Hyderabad

vs.

ITO, Ward 12(4)
Hyderabad

[PAN: AHRPT2823L]

(Appellant)

(Respondent)

For Assessee: Shri N. Mohan Kumar, AR
For Revenue: Sh. Narayanamurthy Naik, D.R.

Date of Hearing : 27/01/2021
Date of Pronouncement : 22/02/2021

ORDER

This assessee's appeal arises against the Commissioner of Income Tax (Appeals) -1 [CIT(A)] Hyderabad's order dated 23.08.2019 passed in case no.10620/2018-19/ITO 12(4)/CIT(A)-1/Hyd/2019-20 in proceedings u/s 143(3) of the Income Tax Act, 1961 [in short 'the Act'] for AY 2016-17.

Heard Shri N. Mohan Kumar representing the assessee and Shri Narayanamurthy Naik, DR for department. Case file perused.

2. The assessee's sole substantive grievance raised in the instant appeal challenges the correctness of unexplained bank deposits of Rs.5,67,950/- (involving net amount of Rs. 3.77 lakhs) added in the course of assessment and affirmed in CIT(A)'s order passed ex parte. Learned counsel stated at the outset that the CIT(A) had not ensured service of lower appellate hearing's

notice(s). His further case is that the Assessing Officer and the CIT(A) have erred in law and on facts in making unexplained bank deposits made in cash to the tune of Rs.3,76,528/- despite the fact that he had sufficiently proved to be owning agricultural income in the family members names. I find no reason to express my agreement with assessee's foregoing arguments in entirety. I am of the view that even if it is accepted that lower authorities could not have actually served notice on the assessee, the fact remains there is no indication even in assessment order as to whether he had filed any records qua sales of agricultural produce from land owned by him or his family members. Learned DR also fails to dispute that assessee's family members own sufficient chunks of agricultural lands in the corresponding revenue estate(s). I take into account all these mitigating facts and circumstances and hold that the impugned net addition of Rs.3,76,528/- is liable to be confirmed only to the extent of Rs.76,528/-. It is made clear that the tribunal's instant estimation shall not be treated as a precedent in any other case. Necessary computation to be followed as per law.

This assessee's appeal is partly allowed in above terms.

Order pronounced in Open Court on 22/02/2021.

Sd/-
(S.S. GODARA)
JUDICIAL MEMBER

Dated: 22nd February, 2021

- *gmv*

Copy of Order forwarded to:

1. Sri Arun Tallapalli Karanam, Flat no. 401, Rohiwal Windsor Apartment, Hill Fort road, Saifabad, Hyderabad 500 004, Telangana.
2. ITO, Ward 12(4) , Hyderabad
3. ACIT, Range 12, Hyderabad
4. CIT(A)-1, Hyderabad.
5. Pr.CIT -1, Hyderabad
- 6 D.R. ITAT Hyderabad
7. Guard File