

**IN THE INCOME TAX APPELLATE TRIBUNAL
BANGALORE BENCHES "C", BANGALORE**

Before Shri George George K, JM & Ms.Padmavathy S, AM

ITA No.691/Bang/2022 : Asst.Year 2017-2018

Sri Krishnamurthy Ravi 206, First A Main Road Kengeri Satellite Town Bengaluru - 560 060. PAN : ACZPR1794F.	v.	The Income Tax Officer Ward 1(2)6) Bangalore.
(Appellant)		(Respondent)

Appellant by : Ms.Sankari V.Krishnan, CA
Respondent by : Smt.Priyadarshini Baseganni, Addl.CIT-DR

Date of Hearing : 17.01.2023	Date of Pronouncement : 17.01.2023
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ORDER

Per George George K, JM :

This appeal at the instance of the assessee is directed against CIT(A)'s order dated 06.05.2022. The relevant assessment year is 2017-2018.

2. There is a delay of 31 days in filing this appeal. The assessee has filed a petition for condonation of delay accompanied by an affidavit stating therein the reasons for belated filing of this appeal. We have perused the reasons stated in the affidavit for filing this appeal belatedly. We find that there is sufficient cause for the late filing of the appeal and the delay cannot be attributed to the assessee. Hence, we condone the delay and proceeded to dispose of the appeal on merits.

3. The solitary issue that is raised is regarding addition of cash deposits of a sum of Rs.6,00,000.

4. The brief facts of the case are as follows:

The assessee an individual had filed his return of income for the assessment year 2017-2018 on 14.07.2017 declaring total income of Rs.4,64,690. The assessment was selected for limited scrutiny through CASS to verify the “cash deposits during the demonetization period”. The assessee had made cash deposits of Rs.6 lakh on 15.11.2016 in his bank account maintained with M/s. Sri M.Visvesvaraya Co-operative Bank Limited. The Assessing Officer completed the assessment u/s 143(3) of the I.T.Act vide order dated 07.12.2019 by treating the cash deposits amounting to Rs.6 lakh as unexplained income u/s 69A of the I.T.Act.

5. Aggrieved, the assessee preferred an appeal before the first appellate authority. The assessee was directed to furnish written submission in support of its grounds. The assessee submitted an adjournment application for filing the written submission. However, the CIT(A) decided the issue *ex parte* by dismissing the appeal.

6. Aggrieved, the assessee has filed elaborate grounds running into 8 pages. The prayer raised before the Tribunal reads as follows:-

“1. That the order of the CIT(Appeals) dated 06.05.2022 appealed against herein may be set aside.

2. *That its submissions may be considered and the demand for tax, interest and penalty thereon may be deleted in the interests of justice.*

3. *Alternatively, and without prejudice, the appellant prays that in case the Hon'ble Tribunal sees fit, the case may be remanded back to the Hon'ble CIT(Appeals) for fresh consideration, with a fair and reasonable opportunity of being heard being granted to the appellant."*

7. The learned AR submitted that the assessee had filed an adjournment application for seeking time to furnish the written submission before the first appellate authority and the CIT(A) without considering the same, has dismissed the appeal of the assessee. In this context, the learned AR referred to Annexure-A in the appeal memo (the acknowledgement of adjournment requested dated 07.04.2022). The learned AR submitted that the issue may be restored to the files of the CIT(A) for a proper adjudication of the issue after affording a reasonable opportunity of hearing to the assessee.

8. The learned Departmental Representative supported the orders of the A.O. and the CIT(A).

9. We have heard rival submissions and perused the material on record. It is an admitted fact that the assessee has not submitted arguments / submissions nor furnished any evidence in support of his claim. The appeal has been decided *ex parte* on the material available on record. This is evident from para 5.6 and 5.7 of the impugned order of the CIT(A). In the interest of justice and equity, we are of the view

that one more opportunity should be provided to the assessee to present his case properly. Therefore, we restore the issue raised in this appeal to the files of the CIT(A). The CIT(A) is directed to afford a reasonable opportunity to the assessee to present his case. The assessee shall cooperate with the Revenue and shall not seek unnecessary adjournment in the matter. It is ordered accordingly.

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

Order pronounced on this 17th day of January, 2023.

Sd/-
(Padmavathy S)
ACCOUNTANT MEMBER

Sd/-
(George George K)
JUDICIAL MEMBER

Bangalore; Dated : 17th January, 2023.
Devadas G*

Copy to :

1. The Appellant.
2. The Respondent.
3. The CIT(A)-NFAC Delhi
4. The Pr.CIT, Bengaluru.
5. The DR, ITAT, Bengaluru.
6. Guard File.

Asst.Registrar/ITAT, Bangalore