

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE "SMC" BENCH :: PUNE

BEFORE SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER &  
SHRI G.D. PADMAHSHALI, ACCOUNTANT MEMBER

ITA No.717/PUN/2023  
(A.Y. 2013-14)

Arati Ramesh Mangaonkar, At More Post Vados, Kudal-416520, Maharashtra.	vs	ITO, Ward-1, Kudal.
PAN: AGIPM 2649 D		
Appellant		Respondent

Assessee by	:	None
Revenue by	:	Shri B.S. Rajpurohit, Addl. DR
Date of hearing	:	14/08/2023
Date of pronouncement	:	21/08/2023

O R D E R

Per PARTHA SARATHI CHAUDHURY, JM:

This appeal preferred by the assessee emanates from the order of National Faceless Appeal Centre [NFAC], Delhi, dated 12.01.2023 for A.Y.2013-14 as per the grounds of appeal on record.

2. Brief facts of the case are that as per information available on the NMS/ITBA with the Department, the Assessing Officer (AO) had found that assessee had deposited Rs.14.00 lakh in cash in her savings bank account maintained with Dena Bank, Mumbai during the year under consideration. The assessee did not file return of income for the AY.2013-14. The case was selected for scrutiny by way of reopening of case u/sec.147 and notice u/sec.148 was issued. But the assessee did not choose to file return of income. Therefore, several notices u/sec. 142(1) was issued along with questionnaire. Assessee

neither attended nor filed written submissions. Therefore, the AO completed the assessment u/sec. 144 by invoking the provisions of sec. 68 of the Act. It was also mentioned that draft assessment order proposing for enhancing income of the assessee along with computation sheet was communicated to the assessee. In response, assessee submitted that cash of Rs.14.00 lakh deposited in her bank account was business transaction. But she did not submit any documentary evidence to substantiate her contention, except acknowledgment of return filed on 29.03.2016 by declaring an income of Rs.2,49,210/-. On perusal of e-filing portal, no return was filed for the AY.2013-14. Moreover, the declared income did not commensurate with the cash deposit of Rs.14.00 lakh. Therefore, the AO completed the assessment u/sec. 147 r.w.s. 144 r.w.s. 144B of the Act.

3. Being further aggrieved, assessee had filed the appeal before the NFAC, and as per the detailed order, the NFAC had dismissed the appeal of the assessee.

4. At the time of hearing before us, none appeared for the assessee. The submissions of the Id.DR were considered along with documents on record.

4.1 We have perused the orders of AO as well as NFAC. At the outset, it is observed that before the NFAC as evident from para 7.1 onwards, the assessee failed to submit documentary evidence and submissions, representing the case on merits. This is further evident

at para 5.7 of NFAC's order, where it has been stated that assessee has not responded even to one notice/reminder and communication. Therefore, it is precise and clear due to non-submission of documents before the NFAC there was no adjudication of rights and liabilities of the parties substantially in this case. We have observed while adjudication these kind of non-compliance cases that the very fact, the Income-tax legislation being welfare legislation, most of the time, the interest of the taxpayer/assessee needs to be protected within ambit of law to the extent possible, ultimately it is the assessee who is paying the tax and contributing to the growth of the nation and, therefore, though it is correct that assessee did not respond earlier to the notices of NFAC, but in the interest of justice, we are inclined to provide one final opportunity to the assessee to furnish the relevant details/documents before the NFAC and the NFAC shall re-adjudicate the matter as per law considering the details which shall be submitted by the assessee, while complying with the principles of natural justice. The order of NFAC is set aside and the matter remanded back to its file. We order accordingly.

5. In the result, appeal of the assessee is allowed for statistical purposes.

Order pronounced in open Court on 21<sup>st</sup> August, 2023.

Sd/-  
(G.D. PADMAHALI)  
ACCOUNTANT MEMBER

Sd/-  
(PARTHA SARATHI CHAUDHURY)  
JUDICIAL MEMBER

Dated : 21<sup>st</sup> August, 2023

*ITA No.717/PUN/2023*  
*Arati Ramesh Mangaonkar*

vr/-

Copy to :

1. The Appellant.
2. The Respondent.
3. The Pr. CIT concerned.
5. The DR, ITAT, Pune 'SMC' Bench, Pune.
6. Guard File.

By Order

// TRUE COPY //

Senior Private Secretary  
ITAT, Pune.