

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE 'SMC' BENCHES :: PUNE

BEFORE SHRI INTURI RAMA RAO, HON. ACCOUNTANT MEMBER

ITA No.874/PUN/2023  
(A.Y. 2011-12)

Shahaji Sheshrao Bhesar, A P Chavan Shop No.47, Cannought Garden, Opp. Cidco, Aurangabad-431003  PAN: APVPB 1184 L  Appellant	vs	ITO, Ward-2(5), Aurangabad.     Respondent
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Assessee by	:	Shri Umesh Ruparel, AR
Revenue by	:	Shri Ganesh B. Budruk, DR
Date of hearing	:	13/02/2024
Date of pronouncement	:	15/02/2024

ORDER

This is an appeal filed by the assessee directed against the order of National Faceless Appeal Centre [NFAC], Delhi, dated 26.05.2023 for A.Y.2011-12.

2. Brief facts of the case are that appellant is an individual, who is in the business of running retail shop. The case of the assessee was reopened u/sec. 147 of the Act by the Assessing Officer (AO). The reasons for reopening the case are that on verification of records available with the Department, it was seen that the assessee had deposited cash amounting to Rs. 34,69,300/- in his savings bank account. However, assessee had not filed return of income for the relevant assessment year and also not responded to the notice issued u/sec. 148, therefore, the AO made the addition of Rs. 14,67,900/-

u/sec. 69A as unexplained money and also made the addition of Rs. 3,796/- on account of interest received from the bank.

3. Being aggrieved by the order of the AO, the assessee filed an appeal before the NFAC. As the assessee had not complied with the hearing notices, the NFAC had, *ex parte*, dismissed the appeal of the assessee.

4. Aggrieved by the order of the NFAC, the assessee is in appeal before this Tribunal. It is settled position of law that the appellate authority, even while passing *ex-parte* order should dispose of the appeal on merits based on the material on record. Since, in the present case, the NFAC had merely passed the *ex-parte* order without going into the merits of the addition, therefore, the impugned order is set aside and remanded the matter back to the file of NFAC for *de novo* consideration after affording reasonable opportunity of being heard to the assessee.

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

Order pronounced in open Court on 15<sup>th</sup> February, 2024.

Sd/-  
(INTURI RAMA RAO)  
ACCOUNTANT MEMBER

Dated : 15<sup>th</sup> February, 2024

vr/-

Copy to :

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

By Order

// TRUE COPY //

Senior Private Secretary  
ITAT, Pune.