आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad ' B ' Bench, Hyderabad

Before Shri Laliet Kumar, Judicial Member
And
Shri Manjunatha, G. Accountant Member

आ.अपी.सं /**ITA No.154/Hyd/2024**
(निर्धारण वर्ष/Assessment Year: 2016-17)

Shri Srihari Pulimeti Hyderabad PAN:AJIPP3861B	Vs.	Income Tax Officer Ward 9(1) Hyderabad
(Appellant)		(Respondent)
निर्धारिती द्वारा/Assessee by:	Shri M. Madhusudan, CA	
राजस्व द्वारा/Revenue by::	Shri AVES Madhukar, DR	
सुनवाई की तारीख/Date of hearing:	07/05/2024	
घोषणा की तारीख/Pronouncement:	07/05/2024	

आदेश/ORDER

Per Manjunatha, G. A.M

This appeal filed by the assessee is directed against the order dated 18.12.2023 the learned CIT (A)-NFAC Delhi, relating to A.Y.2016-17.

2. The assessee raised the following grounds:

1. The order under Sec.250.dt. 18.12.2023 passed by the CIT(A)NFAC Delhi for the A.Y.2016-17 may be erroneous both in law and also on facts of the case:

2. That in the facts and circumstances of the case, recorded in the annexed Statement of facts, it is humbly requested that the DOCUMENTS referred to therein, may be admitted as they hold direct nexus with the GROUNDS URGED in, in the appeal petition filed herewith.

3. Taking cognizance of the MEMORANDUM OF WRITTEN Submissions, dt.1.11.2019 and the addi. Memorandum, dt. 21.11.2019 filed before the CIT(A) enclosing some relevant documents referred to therein and that the CIT(A) also called for a Remand Report from the ITO, and that an explanatory reply dt. 10.03.2020 was also filed duly covering the issues involved, it may not appear to be justifiable to dismiss the appeal by the Ld CIT(A),NFAC, Delhi on the observation that there was no information/evidences filed totally, and in the aforesaid factual and legal background of the case, the APPELLATE ORDER, may be VOID IN LAW:

4. Also considering the fact that there was evidence in token of receipt of advances/Gifts etc. to the tune of Rs.70,00,000/-(roundly) as per the details recorded in the ANNEXED STATEMENT OF FACT, it may kindly be noticed that the impugned addition under sec.69A of the act may be unwarranted;

5. Also considering the fact that the Investment in different residential flats to the tune of Rs.58,90,000/- was met from out of "DEPOSITS" available in the Bank account. viz., IOB BANK, it does not appear justifiable and/or lawful to formulate addition of Rs.58,90,000/- may be VOID IN LAW and further such ADDITION may tantamount to 'DOUBLE ADDITION' as recorded in the annexed Statement of facts and in this actual and legal background, it is requested that the addition may be DEVOID OF ANY MERIT and hence the same may be UNSUSTAINABLE in THE EYES OF LAW:

6. That in the facts and circumstances of the case, recorded in detail, in the annexed Statement of Facts, it is prayed that the addition of Rs.58,90,000/-u/s 69A,

towards UNEXPLAINED MONEY and the other addition of Rs.64,76,500/- towards UNEXPLAINED INVESTMENT in terms of Sec.69B of the Act may be VOID IN LAW and it is accordingly requested that both the aforesaid additions may be ordered to be DELETED, so as to be in conformity with the provisions of law.

7. For these reasons and other reasons which may be advanced during the course of hearing of the appeal, it is requested that the reliefs, sought for above, may be allowed.

3. Facts of the case, in brief, are that the assessee is an Individual, filed his return of income through E-Filing for the A.Y. 2016-17 on 17/02/2018 admitting total income of Rs 3,09,900/-. During the year the assessee shown income from salary amounting to Rs. 2,35,000/- and income from other sources amounting to Rs. 2,72,000/-. In the return of income, in employer category column assessee mentioned as not applicable. Assessee filed latest return i.e. A.Y. 2018-19 under ITR 4 for presumptive income from business and profession. The case was selected for scrutiny under CASS category under "Limited Scrutiny" to verify the issues "Large cash deposits in bank accounts and assessee has also purchased/sold one or more property (ies) during the year" and accordingly statutory notice U/ s 143(2) was issued on 23/08/2018 and the same served on assessee. Subsequently, notice U/ s 142(1) along with questionnaire was issued by requiring the assessee to furnish the information as specified therein.

4. In response to the notices issued, the assessee has not furnished information & details called for, in E-Proceedings. On

verification of the records, it is noticed that during the year under consideration assessee has deposited cash of Rs. 10,00,000/- or more in a saving Bank account aggregating amounting to Rs. 58,90,000/- with Indian Overseas Bank, bearing account No. 154601000016774 and assessee also purchased immovable properties amounting to Rs. 14,96,000/- on 03/08/2015 vide document no. 3287/2015, amounting to Rs. 17,85,000/- on 03/08/2015 vide document no. 3286/2015 and amounting to Rs. 17,85,000/- on 03/08/2015 vide document no. 3285/2015 which were registered with SRO Azampura. In addition to the above assessee also purchased one more immovable property amounting to Rs. 14,10,500/- on 11/06/2015 vide document no. 5416/2015 which was registered with SRO Uppal. In this connection details were called for, from the assessee by issuing notice 142(1) of the Act, from time to time. But the assessee not furnished any information to the Assessing Officer. Due to non-submission of information by the assessee show cause notice issued to the assessee on 01/11/2018 and the case is posted for hearing on 12/11/2018.

5. In response to the show cause notices also, neither assessee furnished reply in e-proceedings nor submitted reply manually to this office. Under these circumstances and the case is getting time barred by limitation on 31/12/2018, the Assessing Officer completed the assessment and made a demand of Rs. 1,26,76,400/-.

6. In appeal, the learned CIT (A) NFAC, dismissed the appeal filed by the assessee on the ground of non-compliance of notices.

7. Aggrieved with such order of the learned CIT (A) the assessee is in appeal before the Tribunal.

8. The learned Counsel for the assessee submitted that there was a failure on the part of the assessee to file evidences before the lower authorities due to certain unavoidable reasons which was beyond the control of the assessee. He further submitted that given an opportunity, the assessee would be in a position to submit the requisite details before the Assessing Officer.

9. The learned DR, on the other hand, submitted that despite issuance of several notices, the assessee failed to comply with the statutory notices issued by the Department and failed to furnish the requisite details. Hence, the grounds raised by the assessee be dismissed.

9. We have heard the rival arguments made by both the sides and perused the orders of the AO and the learned CIT (A). We find the AO in the instant case made addition of Rs. 1,26,76,400/- on the ground that the assessee failed to comply with the statutory notices issued by the Department. We find the assessee failed to furnish necessary details before the lower authorities despite issuance of several notices. This speaks volume and careless attitude of the assessee for the notices issued by the Department. Considering the totality of the facts of the case and in the interest of justice, we deem it proper to restore the issue to the file of the Assessing Officer with a direction to grant one more opportunity to the assessee to substantiate his case. The assessee is also directed to pay a sum of Rs.3000/- to the State Legal Aid Services of the Hon'ble Telangana High Court for

non-compliance of the statutory notices issued by the Department. The assessee is directed to submit the slip to the Registry, ITAT Hyderabad Benches within a period of 2 months from the date of this order. We hold and direct accordingly.

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

Order pronounced in the Open Court on 7th May, 2024.

Sd/-	Sd/-
(LALIET KUMAR) **JUDICIAL MEMBER**	**(MANJUNATHA, G.)** **ACCOUNTANT MEMBER**

Hyderabad, dated 7th May, 2024
Vinodan/sps

Copy to:

S.No	Addresses
1	SRIHARI PULIMETI 16-2-751/82/A KARAN BHAG , SAIDABAD COLONY HYDERABAD 500059 ,Telangana
2	Income Tax Officer Ward 9(1) I.T. Tower, AC Guards, Masab Tank, Hyderabad 500004
3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order