

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

Before Shri Laliet Kumar, Judicial Member
And
Shri Madhusudan Sawdia, Accountant Member

आ.अपी.सं / **ITA No.346/Hyd/2024**
(निर्धारण वर्ष / Assessment Year: 2017-18)

Shri Zameer Shaik Adilabad PAN:GGHPS6632F (Appellant)	Vs.	Income Tax Officer Ward 1 Adilabad (Respondent)
निर्धारिती द्वारा / Assessee by:		Shri A.V. Raghuram, Advocate
राजस्व द्वारा / Revenue by:		Smt. Sheetal Sarin DR
सुनवाई की तारीख / Date of hearing:	05/06/2024	
घोषणा की तारीख / Pronouncement:	10/06/2024	

आदेश/ORDER

Per Laliet Kumar, J.M

This appeal filed by the assessee is directed against the order dated 19/02/2014 of the learned CIT (A)-NFAC Delhi, relating to A.Y.2017-18.

2. The grounds raised by the assessee read as under:

1. On the facts and in the circumstances of the case, the order of the Id. CIT(A) is erroneous and unsustainable in law apart from being passed in violation of principles of natural justice. The Id. CIT(A) failed to appreciate that none of the notices issued were served on the appellant as required under section 282 of the Act r.w. rule 127 of the Rules, and therefore Appellant could not put forth his case.
2. Without prejudice, the Ld. Commissioner of Income Tax (Appeals) erred in sustaining the action of the Assessing Officer in making an addition of Rs.1,71,46,857 as unexplained cash deposits under section 69A of the Income Tax Act, 1961.
3. The authorities below failed to appreciate that the entries in the bank account indicate the nature to be business transactions and therefore making addition of entire deposits in the bank account as unexplained money is incorrect. The authorities below in all fairness ought to have estimated the income.

(Tax Effect: Rs.1,32,45,947)

4. For these and other grounds that may be urged at the time of hearing.
3. Facts of the case, in brief, are that the assessee is engaged in the business of chicken centre, filed his return of income for the A.Y 2017-18 on 23.11.2019 declaring total income of Rs.3,72,810/-. The case was selected for limited scrutiny under CASS to verify "Large Cash deposits made in bank account during the year". Statutory notices u/s 143(2) and 142(1) were issued and served on the assessee to furnish evidence by 26.09.2018. Thereafter, several notices were issued to the assessee to which neither the responded nor appeared before the Assessing Officer.

Since due to continuous non-compliance of the assessee and the assessee failed to explain large credits in his bank account, the Assessing Officer completed the assessment by making an addition of Rs.1,71,46,857/- u/s 69A of the I.T. Act, 1961.

3. In appeal, the learned CIT (A) NFAC dismissed the appeal of the assessee on the ground of non-compliance from the side of the assessee despite granting ample opportunities to the assessee.

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

5. The learned Counsel for the assessee submitted that the lower authorities has not followed the principles of natural justice since the notices issued by the authorities were not received by the assessee and only after getting the notices, the assessee came to know from the Tax Consultant that huge addition of Rs.1,71,46,857/- u/s 69A of the Act was demanded from the assessee. It is the submission of the assessee, that if given an opportunity, the assessee would be in a position to explain the details with documentary evidence before the learned CIT (A) NFAC to substantiate his case and to the satisfaction of the CIT (A).

6. The learned DR, on the other hand, submitted that despite giving sufficient opportunities, the assessee failed to comply with the notices issued by the authorities below. Hence the grounds raised by the assessee should be dismissed and the orders of the learned CIT (A) NFAC should be upheld.

7. We have heard the rival arguments made by both the sides and perused the material available on record. It is the submission of the learned Counsel for the assessee that the learned CIT (A) NFAC dismissed the appeal of the assessee without going into the merits of the case. In fact, the assessee was not received the notices sent by the Department. If given an opportunity, the assessee would be in a position to explain its case with documentary evidence before the learned CIT (A) NFAC. Considering the totality of the facts of case and in the interest of natural justice, we are of the considered opinion, that the appeal of the assessee should be set aside to the file of the learned CIT (A) NFAC for fresh adjudication. The learned CIT (A) NFAC is directed to grant one last opportunity to the assessee to explain its case with proper documentary evidence. The assessee is also hereby directed to appear before the learned CIT (A) NFAC with necessary details/evidence on the appointed date and time without seeking any adjournment under any pretext. We hold and direct accordingly.

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

Order pronounced in the Open Court on 10th June, 2024.

Sd/-

Sd/-

(MADHUSUDAN SAWDIA) ACCOUNTANT MEMBER	(LALIET KUMAR) JUDICIAL MEMBER
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Hyderabad, dated 10th June, 2024

Vinodan/sps

Copy to:

S.No	Addresses
1	Shri Zameer Shaik, 6-31, NH-7 Road Beside Bus Stand Gudihathnoor Adilabad 504308
2	Income Tax Officer Ward-1 Adilabad
3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order