

आयकर अपीलीय अधिकरण, हैदराबाद पीठ में  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD BENCHES "B", HYDERABAD**

**BEFORE**  
**SHRI LALIET KUMAR, JUDICIAL MEMBER**  
**&**  
**SHRI MADHUSUDAN SAWDIA, ACCOUNTANT MEMBER**

आ.अपी.सं/ITA No. 191/Hyd/2024  
(निर्धारण वर्ष/Assessment Year: 2021-22)

Suri Babu Chekuri, Hyderabad [PAN No. AJJPC2790D]	Vs. Income Tax Officer, (INT TAXN)-1, Hyderabad
अपीलार्थी/Appellant	प्रत्यर्थी/Respondent

निर्धारिती द्वारा/Assessee by: Shri Vamsi, AR  
appeared for  
Shri G. Srinivasa Rao, AR  
(Through virtual mode)

राजस्व द्वारा/Revenue by: Ms. Sheetal Sarin, DR

सुनवाई की तारीख/Date of hearing: 03/06/2024  
घोषणा की तारीख/Pronouncement on: 11/06/2024

**आदेश / ORDER**

**PER MADHUSUDAN SAWDIA, A.M:**

This appeal has been filed at the instance of Shri Suri Babu Chekuri ('the assessee'), against the order dated 29/12/2023 passed by the Learned Commissioner of Income Tax (Appeals)-10, Hyderabad, ("Ld. CIT(A)") relating to the assessment year (AY) 2021-22.

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

*“1. That the order of the Learned Commissioner of Income Tax (Appeals) in upholding the addition of Rs. 20,25,000/- towards unexplained money u/s 69A of Income Tax Act, 1961 is wholly unsustainable in law and on facts.*

*2. That on the facts and circumstances of the case and in law, the learned Commissioner of Income Tax, Appeals has erred in upholding the addition of Rs. 20,25,000/- towards unexplained money u/s 69A of the Act even though the appellant has the sufficient sources for the said cash deposits made in to his bank account.*

*3. The appellant craves leave to add/alter/ modify the grounds of appeal as may be required for proper adjudication of the case.”*

3. Brief facts of the case are that the assessee is a non-resident individual. He filed his return of income for the A.Y. 2021-22 on 26/12/2022, declaring total income of Rs. 28,040/- under the head of income from other sources. The case of the assessee was selected for scrutiny under CASS. During the course of assessment proceedings, the learned Assessing Officer (“Ld.AO”) found that the assessee had deposited cash into the bank accounts to the tune of Rs. 57,50,000/-. After verification of documents submitted by the assessee, Ld.AO found the source to the extent of Rs. 37,25,000/- as ‘explained’ and treated the remaining amount of Rs. 20,25,000/- as ‘un-explained’ in the absence of any relevant documents and added the same to the income of the assessee u/s 69A of the Income Tax Act, 1961 (for short “the Act”). Accordingly, the Ld. AO completed the assessment u/s. 144 r.w.s. 144C(3) of the Act by order dt. 27/02/2023,

determining the total income of the assessee at Rs. 20,53,040/-, thereby making an addition of Rs.20,25,000/-.

4. Feeling aggrieved by the order passed by the Ld. AO, assessee filed appeal before the Ld. CIT(A). During the course of appellate proceedings before the Ld.CIT(A), the assessee failed to produce any documents in support of his claim even after providing sufficient opportunities during the assessment proceedings. The relevant findings of the Ld.CIT(A) to this effect are as under:

*“6.5 It is seen that even on merits. the case of the appellant does not hold any ground. In the instant case, it was found that the appellant had made a cash deposits into the bank accounts to the tune of Rs. 57,50,000/- for the A.Y. 2021-22. On enquiry regarding the source of the above mentioned deposits during the assessment proceedings, appellant furnished the documentary evidence like bank account statement copies, pattadar passbook etc. On verification of submission made by appellant, Assessing officer was found the source of cash deposits as explained to the extent of Rs. 37,25,000/- only and remaining amount of Rs. 20,25,000/- was treated as unexplained money in the hands of the appellant. During the assessment proceedings, the appellant could not provide the cogent evidences for the amount of Rs. 20,25,000/- and also could not establish the source of cash deposited into the bank accounts. Therefore, Assessing officer termed it as unexplained money and added to total income in the hands of the appellant.*

*6.6 The appellant contended that the Assessing Officer has not considered the submission regarding the source of cash deposit and made an addition of without bringing on record any cogent adverse evidence to deny the claim of the appellant. It is seen that the appellant has failed to produce any documents in support of his claim even after providing sufficient opportunities during the assessment proceedings. Therefore, in absence of cogent evidences which could prove the source of cash deposits as*

*explained, the AO has rightly treated the amount of Rs. 20,25,000/- as unexplained and added to the total income in the hands of appellant, accordingly, the addition is upheld. Accordingly, grounds no. 1 & 2 of the appeal are dismissed.”*

5. Feeling aggrieved with the order of learned CIT(A), the assessee is now in appeal before us, contending that the authorities erred in declining sufficient opportunity to the assessee in proving the cash deposited in the bank. It is further contended that the learned CIT(A) has passed the order without providing proper opportunity. The learned AR further submitted that the assessee does not stand to gain by allowing the appeal to be disposed of without any documentary evidence being produced and it is only due to the reasons beyond the control of the assessee, the assessee could not produce the documents. By consolidating all the grounds, he further submitted that given an opportunity, the assessee is now ready to produce all such details and conduct the proceedings diligently and get the matter disposed of on merits.

6. Per contra, learned DR placed heavy reliance on the orders of the authorities below, and submitted that sufficient opportunity has already been given by the authorities, but the assessee failed to avail the same. He opposed the grant of further opportunity to the assessee.

7. We have heard the rival submissions and also gone through the record in the light of the submissions made on either side. It could be seen from the orders of the authorities

that the assessee failed to produce the details with regards to the deposit of cash in the bank, which resulted in passing the orders without consideration thereof. It is a fact that the assessee does not stand to gain by not producing such documents. Be that as it may, now that the assessee is ready to produce all such documentary evidence in support of his contentions and get the matter disposed of on merits. The highest that would happen by allowing an opportunity to the assessee is that a cause would be decided on merits. With this view of the matter, we are of the view that fresh opportunity should be given to the assessee and, accordingly, we set aside the impugned order and restore the issue to the file of the Ld. CIT(A) for passing a fresh order on merits after affording the opportunity of hearing to the assessee. Grounds of appeal are answered accordingly.

8. In the result, the appeal of the assessee is allowed for statistical purpose.

Order pronounced in the open court on 11<sup>th</sup> day of June, 2024.

Sd/-  
**(LALIET KUMAR)**  
**JUDICIAL MEMBER**

Sd/-  
**(MADHUSUDAN SAWDIA)**  
**ACCOUNTANT MEMBER**

Hyderabad,  
Dated: 11/06/2024

TNMM

Copy forwarded to:

1. Shri Suri Babu Chekuri, 2<sup>nd</sup> Floor, Plot No. 18, Jayabheri Pine Valley, Gachibowli, Hyderabad.
2. The Income Tax Officer (INT TAXN)-1, Hyderabad.
3. The CIT(IT & TP)-Hyderabad.
4. DR, ITAT, Hyderabad.
5. GUARD FILE

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ASSISTANT REGISTRAR  
ITAT, HYDERABAD