

**आयकरअपीलीयअधिकरण, विशाखापटणम "SMC" पीठ, विशाखापटणम**

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
VISAKHAPATNAM "SMC" BENCH, VISAKHAPATNAM**

**श्री दुव्वूरु आर एल रेड्डी, न्यायिक सदस्य के समक्ष  
BEFORE SHRI DUVVURU RL REDDY, HON'BLE JUDICIAL MEMBER**

**आयकर अपील सं./I.T.A.No.204/Viz/2024  
(निर्धारण वर्ष / Assessment Year : 2017-18)**

Duddu Prasad  
C/o Prasad Traders  
Gold Star Junction  
Jammadevipeta  
Vizianagaram  
**[PAN : ASCPP2269E]**

Vs. Income Tax Officer  
Ward-2  
Vizianagaram

**(अपीलार्थी/ Appellant)**

**(प्रत्यर्थी/ Respondent)**

अपीलार्थी की ओर से/ Appellant by  
प्रत्यर्थी की ओर से / Respondent by

: Shri G.V.N.Hari, AR  
: Dr.Aparna Villuri, DR

सुनवाई की तारीख / Date of Hearing

: 19.06.2024

घोषणा की तारीख/Date of Pronouncement

: 24.06.2024

**आदेश / O R D E R**

**Per Shri Duvvuru RL Reddy, Judicial Member :**

This appeal is filed by the assessee against the order of Commissioner of Income Tax (Appeals) [CIT(A)], National Faceless Appeal Centre (NFAC), Delhi vide DIN & Order No. ITBA/NFAC/S/250/2023-24/1063526336(1) dated 28.03.2024 arising out of order passed u/s 144 of the Income Tax Act, 1961 (in short 'Act') dated 07.12.2019.

2. Brief facts of the case are that the assessee did not file return of income for the A.Y.2017-18. On the basis of AIR information, it was found that the assessee has deposited substantial cash deposits during the period of demonetization and accordingly the assessee was asked to file the return of income by issuing notice u/s 142(1) of the Act. However, the assessee failed to comply with the notice. Assessment was completed and an assessment order u/s 144 of the Act dated 07.12.2019 was passed, assessing the income of the assessee at Rs.12,66,000/- as unexplained money u/s 69A of the Act.

3. Aggrieved by the order of the AO, the assessee preferred an appeal before the CIT(A) and the Ld.CIT(A) upheld the addition made by the AO and dismissed the appeal of the assessee ex-parte.

4. Aggrieved by the order of the Ld.CIT(A), the assessee preferred an appeal before the Tribunal and raised the following grounds of appeal :

*1. The order of the learned Commissioner of Income Tax (Appeals) is contrary to the facts and also the law applicable to the facts of the case.*

*2. The learned Commissioner of Income Tax (Appeals) is not giving sufficient opportunity of hearing to the appellant and dismissed the appeal ex-parte*

*3. The learned Commissioner of Income Tax (Appeals) is not justified in sustaining the addition of Rs.12,66,000 made by the*

*assessing officer u/s 69A of the Act towards unexplained cash deposits during demonetization period.*

*4. Any other ground that may be urged at the time of appeal hearing.*

5. At the outset, the Ld.AR submitted that the Ld.CIT(A) is not justified in dismissing the appeal of the assessee ex-parte by confirming the addition made by the AO u/s 69A of the Act towards unexplained cash deposits during demonetization period without giving sufficient opportunity of being heard to the assessee to controvert the findings of the revenue authorities. Hence, prayed for an opportunity of being heard before the Ld.CIT(A) in the interest of justice.

6. Per contra, the Ld.DR submitted that the assessee was given sufficient opportunities, but the assessee did not avail the same to controvert the findings of the revenue authorities with cogent material evidences. The Ld.DR therefore submitted that the Ld.CIT(A) is justified in upholding the addition made by the AO. She, therefore, pleaded to uphold the order of the Ld.CIT(A) and dismiss the appeal of the assessee.

7. I have heard both the parties and perused the material placed on record. It is evident that the assessment in the case of the assessee was completed u/s 144 of the Act and the addition of Rs.12,66,000/- made by

the AO was confirmed by the Ld.CIT(A). The only contention of the Ld.AR is that the assessee was not given sufficient opportunity to substantiate his claim with evidences and prayed for an opportunity of being heard before the Ld.CIT(A) in the interest of justice. Keeping in view the aforesaid facts and circumstances of the case and in order to meet the principles of natural justice, I am inclined to remit the matter back to the file of the Ld.CIT(A) with a direction to afford an opportunity of being heard to the assessee. The assessee is also directed to adhere to the notices issued and cooperate with the revenue authorities during the proceedings.

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

Order pronounced in the open court on 24<sup>th</sup> June, 2024.

Sd/-  
(दुव्वूरु आर.एल रेड्डी)  
(DUVVURU RL REDDY)  
न्यायिक सदस्य/JUDICIAL MEMBER

Dated : 24.06.2024  
L.Rama, SPS

आदेश की प्रतिलिपि अग्रेषित/Copy of the order forwarded to:-

1. निर्धारिती/ The Assessee- Duddu Prasad, C/o Prasad Traders, Gold Star Junction, Jammadevipeta, Vizianagaram
2. राजस्व/The Revenue - The Income Tax Officer, Ward-2, Income Tax Office, Koppu Guarana Building Siddartha Nagar, Vizianagaram
3. The Principal Commissioner of Income Tax, Visakhapatnam
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, विशाखापटणम / DR, ITAT, Visakhapatnam
5. गार्ड फ़ाईल / Guard file

आदेशानुसार / BY ORDER

Sr. Private Secretary  
ITAT, Visakhapatnam