

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

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

आ.अपी.सं / **ITA No.509/Hyd/2024**  
(निर्धारण वर्ष / Assessment Year: 2017-18)

Shri Panakala Rao Sodisetty Hyderabad PAN: BAYPD5803E (Appellant)	Vs.	Dy. C. I. T. Circle 2(1) Hyderabad (Respondent)
निर्धारिती द्वारा / Assessee by:		Advocate Mohd Afzal
राजस्व द्वारा / Revenue by:		Smt. T.H. Vijaya Lakshmi, DR
सुनवाई की तारीख / Date of hearing:	29/07/2024	
घोषणा की तारीख / Pronouncement:	29/07/2024	

**आदेश/ORDER**

**Per Manjunatha, G. A.M**

This appeal filed by the assessee is directed against the order dated 28/11/2023 of the learned CIT (A)-NFAC Delhi, relating to A.Y.2017-181

2. The brief facts of the case are that the assessee is a proprietor of M/s. Senthana Properties engaged in the business of Real Estate and Construction Activities. The assessee filed his return of income for the A.Y 2017-18 on 31/10/2017 declaring

total income of Rs.46,48,100/-. The case was selected for scrutiny. During the course of assesment proceedings, the Assessing Officer noticed that there is increase in unsecured loan by Rs.8,67.37,100/- when compared to previous year ending 31.3.2016. In this regard, the assessee has been requested to furnish the details for which the assessee has submitted a list of unsecured loan from various parties. The Assessing Officer called upon the assessee to file necessary evidences including identity of the creditors and also prove the genuineness of the transaction. Since the assessee failed to file the relevant evidences, the Assessing Officer passed ex-parte assessment order u/s 147 r.w.s. 144B of the I.T. Act, 1961 and determined the total income at Rs.9,23,33,100/-.

3. The assessee carried the matter in appeal before the first appellate authority, but neither appeared nor filed any details which is evident from para 6 of the learned CIT (A)'s order, where the case was posted for hearing on 3 occasions but no response. Therefore, the learned CIT (A) dismissed the appeal filed by the assessee ex-parte and sustained the addition made by the Assessing Officer towards cash credits u/s 68 of the I.T. Act, 1961.

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

5. We have heard both the parties, perused the material available on record and gone through the orders of the authorities below. The learned Counsel for the assessee submitted that the learned CIT (A) dismissed the appeal filed by the assessee on technical ground for non-appearance, even though the assessee has sought adjournment by filing letter in response to notice issued by the learned CIT (A). We find that the learned CIT (A) has posted the case for hearing on 1.6.2023 and the assessee has sought adjournment by way of letter dated 8.6.2023. The case has been once again posted for hearing on 17.8.2023 and 08.11.2023 and the learned CIT (A) claims that no response from the appellant. On the other hand, the assessee claims that the assessee has sought adjournment to file certain details. There are contradictory version from the learned CIT (A) and argument from the assessee. Be that as it may, the learned CIT (A) disposed off the appeal filed by the assessee without providing reasonable opportunity of hearing. Further, even in a case of disposal of appeal for non-production, then such appeal should be disposed of on merit on the basis of material available on record. In the present case, the learned CIT (A) dismissed the appeal filed by the assessee on technical grounds for non-submission of details, but did not discuss the issues on merit contrary to the settled principles of law. Therefore, we set aside the order passed by the learned CIT (A) and restore the issue back to the file of the learned CIT (A) with a direction to reconsider the issue afresh after providing reasonable

opportunity of being heard to the assessee. The assessee is directed to appear before the learned CIT (A) and furnish necessary details without seeking any adjournment.

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

Order pronounced in the Open Court at the time of hearing itself, i.e. on 29<sup>th</sup> July, 2024.

Sd/-

Sd/-

<b>(LALIET KUMAR) JUDICIAL MEMBER</b>	<b>(MANJUNATHA, G.) ACCOUNTANT MEMBER</b>
---	---

Hyderabad, dated 29<sup>th</sup> July, 2024

***Vinodan/sps***

Copy to:

S.No	Addresses
1	Shri Panakala Rao Sodisetty, Shop No.5 NVM Estates, 3 <sup>rd</sup> Phase, Temple Road, KPHB Colony, Kukatpally, Hyderabad 500072
2	Dy.CIT Circle 2(1) IT Towers, Masab Tank, Hyderabad
3	Pr. CIT – Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

*By Order*