

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

**Before Shri Manjunatha, G. Accountant Member**

आ.अपी.सं / **ITA No.780/Hyd/2024**  
(निर्धारण वर्ष / Assessment Year: 2017-18)

District Club Mahabubnagar PAN:AABAD2298R (Appellant)	Vs.	Income Tax Officer Ward 1 Mahabubnagar (Respondent)
निर्धारिती द्वारा/Assessee by: N O N E		
राजस्व द्वारा/Revenue by:: Shri S.P.G. Mudaliar, DR		
सुनवाई की तारीख/Date of hearing: 05/09/2024		
घोषणा की तारीख/Pronouncement: 05/09/2024		

**आदेश/ORDER**

This appeal filed by the assessee is directed against the order dated 12/06/2024 of the learned CIT (A)-NFAC Delhi, relating to A.Y.2017-18.

2. The brief facts of the case are that the assessee is an Association of Persons (AOP). The Assessing Officer is in the possession of information with regard to certain bank transactions made by the assessee during the previous year relevant to the A.Y 2017-18. As the assessee AOP failed to furnish return of income u/s 139(1) of the I.T. Act, 1961 duly disclosing

the nature of deposits reflected in the bank account, the Assessing Officer issued notice u/s 142(1) of the I.T. Act, 1961 requiring the assessee to file return of income on or before 31/03/2018. The assessee neither filed return of income nor complied with the notices issued u/s 142(1) of the I.T. Act, 1961 by the Assessing Officer. Therefore, the Assessing Officer by taking note of relevant bank transactions obtained directions u/s 144A of the I.T. Act, 1961 from the Addl. CIT, Range-5 Hyderabad and completed the assessment u/s 144 of the I.T. Act, 1961 on 19.12.2019 and determined the total income at Rs.18,38,170/- by making addition of Rs.13,23,990/- towards cash deposited into Bank Account u/s 69A of the I.T. Act, 1961.

3. Being aggrieved by the assessment order, the assessee preferred an appeal before the learned CIT (A). Before the learned CIT (A), the assessee neither appeared nor filed any details which is evident from Para 5.1 of the order of the learned CIT (A) where the appeal was posted on 3 occasions, but no response from the assessee. Therefore, the learned CIT (A) by taking note of relevant facts and also for non-compliance of the notices, dismissed the appeal filed by the assessee for non-prosecution and upheld the additions made by the Assessing Officer towards cash deposits.

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

5. None appeared on behalf of the assessee. I have heard learned DR, perused the material available on record and gone through the orders of the authorities below. Admittedly, the assesment proceedings before the Assessing Officer is ex-parte. The assessee neither appeared nor filed any details to explain source of cash deposit into bank account. Further, although the appellant has filed appeal before the learned CIT (A) against the assessment order, but neither appeared nor filed any details. Therefore, the learned CIT (A) dismissed the appeal filed by the assessee for non-prosecution, but such appeal has been dismissed on technical ground by following the decision of the Hon'ble Supreme Court in the case of CIT vs. B. Bhattacharjee & Another (118 ITR 461). It is an admitted position of law as per the decision of various Courts that, even in a case of non-appearance of the appellant, the appeal should be decided on merit on the basis of material available on record. In the present case, since the learned CIT (A) has dismissed the appeal on technical grounds without discussing the issues on merit, in my considered view, the issue needs to go back to the file of the learned CIT (A). Thus, I set aside the order of the learned CIT (A) and restore the issue back to the file of the learned CIT (A) for fresh consideration after providing reasonable opportunity of being heard to the assessee.

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

Order pronounced in the Open Court on 5<sup>th</sup> September, 2024.

Sd/-

**(MANJUNATHA, G.)  
ACCOUNTANT MEMBER**

Hyderabad, dated 5<sup>th</sup> September, 2024.

**Vinodan/sps**

Copy to:

S.No	Addresses
1	District Club, 1-6-145 to 1-6-149 Opp: District Court, Mahabubnagar 509001, Telangana
2	Income Tax Officer Ward 1 Mahabubnagar
3	Pr. CIT – Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

*By Order*