

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

**BEFORE**

**SHRI LALIET KUMAR, HON'BLE JUDICIAL MEMBER  
AND  
SHRI G. MANJUNATHA, HON'BLE ACCOUNTANT MEMBER**

ITA No.516/Hyd/2024		
Assessment Year – 2014-15		
Sri Rangarao Nadipally Karimnagar  PAN : ACBPN3816E	Vs.	The Deputy Commissioner of Income Tax, Circle – 1 Karimnagar
(Appellant)		(Respondent)
Assessee by:	Shri M Prudhvi Raj appeared for Shri D.Sashank, Ld.AR	
Revenue by:	Shri Srinath Sadanala, Ld.DR	
Date of hearing:	05.09.2024	
Date of pronouncement:	06.09.2024	

**ORDER**

**PER LALIET KUMAR, J.M.**

This appeal is filed by the assessee, feeling aggrieved by the order passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dated 13.03.2024 for the AY 2014-15 on the following grounds :

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

“1. On the facts and in the circumstances of the case the order passed by the National Faceless Appeals Centre (hereinafter referred to as NFAC) is erroneous both on facts and in law.

2. The NFAC erred in passing a non-speaking order without considering the evidences and details filed by the Appellant thereby not providing a proper opportunity of being heard.

3. The NFAC erred in not considering the additional evidences filed during the appellate proceedings only on the ground that a proper petition was not filed in the appropriate format, thereby depriving the appellant of an effective opportunity of being heard.

4. The NFAC erred in upholding the order passed by the Assessing Officer wherein the opening cash balance has been treated as unexplained investment even though there was closing cash balance available as per earlier return of income filed by the appellant for A.Y.2013-14, which was not disputed by the department.

5. The NFAC erred in upholding the order passed by the Assessing Officer to the extent of considering agricultural income as taxable income even though the appellant had sufficient agricultural land (dry & wet) and had been declaring such agricultural income year on year.

6. The NFAC erred in upholding the order passed by the AO to the extent of treating hand loan provided by the appellant's mother as unexplained although it was explained that appellant's mother had sufficient sources of income and the same was also declared by her in her return of income year on year.

7. The NFAC erred in upholding the order passed by the Assessing Officer to the extent of treating the loan amount taken from Sri Ranga Rao HUF (Appellant's HUF) even though it was explained that HUF had sufficient sources of income and balances available with it which are also declared in the return of income of the HUF year on year.

8. The NFAC erred in upholding the order passed by the AO to the extent of considering reimbursements received from partnership firms by the Appellant, wherein the appellant is a partner in such firms, as income of the appellant, without appreciating the fact that the firms have claimed the reimbursements as expenses in their audited P&L a/c.

9. The NFAC erred in confirming the addition made by the Assessing Officer even though AO even though the Assessing Officer has failed to

*mention the nature of additions and the sections under which the additions are made.*

*10. For these and other grounds that may be urged at the time of hearing, appellant prays that the Hon'ble Tribunal may be pleased to delete the arbitrary additions made and upheld by the lower authorities.*

3. At the outset, the Ld.AR drawn our attention to paragraph 7.1.2 passed by the Ld.CIT(A) to the following effect :

*“7.1.2. The appellant has filed written submissions during the course of appellate proceedings along with certain documents as mentioned above which is essentially an additional evidence not submitted before the Assessing Officer. In Form No.35, row no.12, against “whether any documentary evidence other than the evidence produced during the course of proceedings before Income-tax Authority has been filed in terms of Rule 46A” the assessee has mentioned “No”. The additional evidence filed is incomplete and haphazard. The assessee has filed additional evidence during the course of appellate proceedings which does not explain the case of the assessee. However, no petition has been filed by the assessee for admission of additional evidence justifying and explaining as to under which Clause of Rule 46A(1), the assessee’s case is covered and as to why the additional evidence should be admitted. Therefore, I am of the considered view that the additional evidence filed by the assessee is not admissible. Accordingly, the same is not admitted. Moreover, the additional evidence filed is incomplete and does not in any way buttress the grounds of appeal filed by the assessee. Therefore, the sources of various deposits / investments made by the assessee remain unexplained. In the circumstances, I do not see any reason to interfere with the well reasoned and speaking order of the AO. Therefore the various additions made by the Assessing Officer as discussed above after giving the assessee a detailed SCN and opportunity are confirmed.”*

It was the contention of the Ld.AR that despite producing the additional evidence, the Ld.CIT(A) has rejected the plea of the assessee for admission of additional documents. It was submitted

by the Ld.AR that the order of the Ld.CIT(A) be set aside and direction be issued to the Ld.CIT(A) to consider the additional evidence.

4. Per contra, the ld.DR submitted that assessee is not vigilant and has not filed the document before the lower authority and has not proved the case in accordance with law.

5. We have heard the rival contentions of both the parties and perused the material available on record. In the present case, the Assessing Officer has completed the assessment by making addition of Rs.2,17,30,242/- in the hands of the assessee. To prove the case of the assessee, the assessee had filed additional evidences before the Ld.CIT(A), which has been rejected by the Ld.CIT(A) for the reasons mentioned in para No.7.1.2 of the order supra. In our view, the assessee has shown the cogent reason for not producing these documents before the Ld.AO, therefore the Ld.CIT(A) has erred in dismissing the contention of the assessee for admitting the additional evidence. In the light of the above, we deem it appropriate to remit the matter back to the Ld.CIT(A) with a direction that the Ld.CIT(A) shall admit the additional documentary evidence filed by the assessee in accordance with law. Ld.CIT(A), if so desire, may call for remand report from the Assessing Officer on the additional document / additional evidence filed by the assessee. The Ld.CIT(A) shall grant an opportunity to the assessee and thereafter pass reasonable

speaking order. In the light of the above, appeal of the assessee is allowed for statistical purpose.

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

Order pronounced in the open court on 6<sup>th</sup> September 2024.

**Sd/-**

**(G. MANJUNATHA)**

**ACCOUNTANT MEMBER**

**Sd/-**

**(LALIET KUMAR)**

**JUDICIAL MEMBER**

Hyderabad, dated 06.09.2024.

*L.Rama, SPS*

Copy to:

S.No	Addresses
1	Sri Rangarao Nadipally, H.No.2-10-1000/1, Jyothinagar, Karimnagar, Telangana
2	The Deputy Commissioner of Income Tax, Circle -1, Karimnagar
3	Pr.CIT, Hyderabad.
4	DR, ITAT Hyderabad Benches
5	Guard File

*By Order*