

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.794/Hyd/2024**
(निर्धारण वर्ष / Assessment Year: 2017-18)

Income Tax Officer Ward 11(1) Hyderabad (Appellant)	Vs.	Shri Suresh Samineni Hyderabad PAN:AZHPS3014Q (Respondent)
राजस्व द्वारा/Revenue by: निर्धारिती द्वारा/Assessee by:	Shri Aashish Kumar Shukla, DR N O N E	
सुनवाई की तारीख/Date of hearing:	15/10/2024	
घोषणा की तारीख/Pronouncement:	15/10/2024	

आदेश/ORDER

Per Manjunatha, G. A.M

This appeal filed by the Revenue is directed against the order dated 21/06/2024 of the learned CIT (A)-NFAC Delhi, relating to A.Y.2017-18.

2. There is a delay of one day in filing of this appeal by the Revenue. The learned DR explained the reasons for the delay of 1 day in filing of this appeal before the Tribunal and the delay of 1 day is condoned and the appeal is hereby admitted for adjudication.

3. The brief facts of the case are that, as per the information available in AIMS (Actionable Information Monitoring System) in ITBA, the assessee has made cash deposits of Rs.1,02,91,000/- during the demonetization period in his bank account held with Adarsh Urban Cooperative Bank, Shapurnagar, IDA, Jeedimetla, Hyderabad, ICICI Bank Annasalai, Chennai and ICICI Bank, at Shapurnagar, Hyderabad. The assessee has not filed his return of income for the A.Y 2017-18 explaining the source for these credits. Notice u/s 142(1) of the I.T. Act, 1961 dated 24/11/2017 was issued to the assessee to furnish the return of income but there is no compliance from the assessee. In view of non-compliance to the notice, the Assessing Officer has completed the assessment ex-parte u/s 144 of the I.T. Act, 1961 on 18/12/20189 and determined the total income at Rs.2,98,48,484/- by estimating 8% net profit on total credits in bank account amounting to Rs.24,44,18,551/- (25,47,09,551-1,02,91,000) and also addition of Rs.1,02,91,000/- towards cash deposits in SBNs during the demonetization period as unexplained money u/s 69A of the I.T. Act, 1961.

4. The assessee carried the matter in appeal before the learned CIT (A). The learned CIT (A) listed the case for hearing on number of occasions but the assessee has chosen not to furnish any reply to the above notices. Therefore, the appeal filed by the assessee has been disposed off after considering the facts on record and estimated 5% net profit on total credits in bank account amounting to Rs.25,47,09,551/- including cash deposits of Rs.1,02,91,000/- made during the demonetization period.

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

6. None appeared on behalf of the assessee. We have heard the learned DR, perused the material available on record and gone through the orders of the authorities below. Admittedly, there is no response by the assessee before the Assessing Officer. The assessee neither filed return of income nor explained the source for cash deposits into bank accounts. Before the learned CIT (A), the assessee chosen not to furnish any replies to the various notices issued by the first appellate authority. In other words, the proceedings before the Assessing Officer and the learned CIT (A) are ex-parte. The assessee did not get any opportunity to explain the credits found in bank accounts including cash deposits during the demonetization period. Although, the Assessing Officer and the learned CIT (A) applied different rates for estimating income from business, but the learned CIT (A) has not given any valid reason for not considering cash deposits during demonetization period as business turnover of the assessee. Since the assessee has not explained with relevant evidences and also the authorities have not considered the case in right perspective of law, in our considered view, the issue needs to go back to the file of the learned CIT (A) for fresh examination on facts. Thus, we set aside the matter to the file of the learned CIT (A) and restore the issue back to the file of the learned CIT (A) for fresh consideration. The learned CIT (A) is

directed to reconsider the issue after providing one more opportunity of hearing to the assessee.

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

Order pronounced in the Open Court on 15th October, 2024.

Sd/-

Sd/-

(LALIET KUMAR) JUDICIAL MEMBER	(MANJUNATHA, G.) ACCOUNTANT MEMBER
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Hyderabad, dated 15th October, 2024

Vinodan/sps

Copy to:

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1	Income Tax Officer Ward 11(1) Room No.,507, 5 th Floor, Signature Towers, Kondapur, Hyderabad 500084
2	Shri Suresh Samineni, Shop No.7 & 8, APIIC Shopping Complex, Shapurnagar, Jeedimetla, Hyderabad 500055.
3	Pr. CIT – Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order