

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.561/Hyd/2024		
Assessment Year: 2017-18		
Pallapothu Manjusha, Jubilee Hills, Hyderabad. PAN : AEJPP5713N.	Vs.	The Assistant Commissioner of Income Tax, Circle - 14(1), Hyderabad.
(Appellant)		(Respondent)
Assessee by:	Shri K.A. Sai Prasad, C.A.	
Revenue by:	Shri Srinath Sadanala, Sr.A.R.	
Date of hearing:	24.10.2024	
Date of pronouncement:	25.10.2024	

ORDER

PER LALIET KUMAR, J.M.

The appeal of the assessee for A.Y. 2017-18 arises from the order of Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dt.11.03.2024 invoking proceedings under section 143(3) of the Income Tax Act, 1961 (in short, "the Act").

2. The brief facts of the case are that assessee has filed her e-return of income for A.Y. 2017-18 on 31.10.2017 declaring total income of Rs.55,40,780/-. The case of the assessee was selected for scrutiny under CASS and notice u/s 143(2) was issued on 20.08.2018. Subsequently, notices u/s 142(1) were issued from time to time calling for information. As per the information furnished by the assessee, it was found that assessee, who is Proprietor of M/s. Sai Petroleum Enterprises, which is a retail outlet of M/s. Hindustan Petroleum, had made cash deposits in her bank account namely, Bank of Baroda, Jubilee Hills Branch at Rs.22,23,02,220/-. In the absence of evidence for cash sales and month-wise break up cash sales/ card sales for the F.Y. 2016-17 and F.Y. 2015-16, the genuineness of the claim of assessee was not proved. However, considering the line of business of the assessee, the unexplained cash credits in the bank account of assessee during the period of demonetization were estimated at 10% of the cash deposits made into the bank account during the F.Y. 2016-17, which works out to Rs.2,22,23,302/- and was treated the same as unexplained cash u/s 68 of the Act. Assessing Officer further noticed that assessee had received unsecured loans of Rs.9,00,000/- during the year under consideration. Though the assessee was asked to furnish the details of loan creditor with confirmation letter, however, assessee only submitted the name and PAN of the alleged loan creditor. In the absence of confirmation letter from the loan creditor, the genuineness of the transaction has not been proved and hence, the same was added to the income of the assessee u/s 68 of the Act and brought to tax. Penalty proceedings were initiated separately.

Thus, Assessing Officer completed the assessment u/s 143(3) of the Act and passed order on 18.12.2019.

3. Feeling aggrieved with the order of Assessing Officer, assessee filed an appeal before the ld.CIT(A), NFAC, Delhi, who dismissed the appeal of assessee.

4. Before us, ld.AR submitted that the assessee has failed to provide necessary information and appear before the lower authorities. Hence, the ld. AR requested the Bench to remand the matter back to the file of Assessing Officer. Ld.AR further submitted that as the assessee has sufficient cause from putting in appearance before the lower authorities, matter may kindly be remitted back to the authorities below for afresh adjudication.

5. Per contra, the ld.DR relied upon the orders of lower authorities.

6. We have heard the rival contentions of both the parties and perused the material available on record and also the orders passed by the lower authorities. On perusal of the impugned order passed by ld.CIT(A), we found that ld.CIT(A) passed order confirming the action of the Assessing Officer. The merits of the assessee's appeal before the ld.CIT(A) have neither been discussed nor decided by the ld.CIT(A). From para 4 to 4.5 of the order of ld.CIT(A), it is clear that ld.CIT(A) was forced to decide the appeal on the basis of material available on record, as there was no representation on behalf of the assessee even after granting several opportunities. In view of the

above reasons, in our view, the ends of justice will be met if the matter is remanded back to the file of Id.CIT(A) with a direction to decide the issue after considering the documents available on record and affording the opportunities of hearing to the assessee in accordance with law subject to payment of costs of Rs.10,000/- (Rupees Ten Thousand only) to be deposited by the assessee in the account of Prime Minister National Relief Fund which shall be deposited within one month or from the date of receipt of this order or whichever is earlier.

7. The assessee shall be at liberty to file documents, if any, as required for proving her case and the Id.CIT(A) shall consider the evidence, if any, filed by the assessee. Needless to say the Assessing Officer shall examine those documents / evidence filed by the assessee and also the other documents available on record. After considering the documents filed by the assessee and the submissions made by the assessee, the Id.CIT(A) shall pass a detailed speaking order dealing with the contentions of the assessee. We have not adjudicated the other grounds on merits as we are setting aside the orders passed by the lower authorities to the file of Id.CIT(A) for fresh adjudication. Thus, the grounds of the assessee are allowed for statistical purposes.

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

Order pronounced in the Open Court on 25th October, 2024.

Sd/-

Sd/-

(G. MANJUNATHA) ACCOUNTANT MEMBER	(LALIET KUMAR) JUDICIAL MEMBER
--	---

Hyderabad, dated 25.10.2024.

TYNM/sps

Copy to:

S.No	Addresses
1	Pallapothu Manjusha, Jubilee Hills, Hyderabad, C/o. Katrapati & Associates, 1-1-298/2/B/3, Sowbhagya Avenue Apartments, 1 st Floor, Ashok Nagar, Street No.1. Hyderabad – 500020.
2	Assistant Commissioner of Income Tax, Circle 14(1), Hyderabad.
3	Pr.CIT Central Circle, Hyderabad.
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order