

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

**Before Shri Manjunatha G., Accountant Member**  
**and**  
**Shri K. Narasimha Chary, Judicial Member**

आ.अपी.सं / **ITA No.1038 to 1040/Hyd/2024**  
(निर्धारण वर्ष / Assessment Year: 2017-18)

Nagolu Narasimhulu Chennarajupodu [PAN : AFZPN7191P] (Appellant)	Vs.	Income Tax Officer Ward-1 Kadapa (Respondent)
निर्धारिती द्वारा / Assessee by:	Shri K.Abhiroop Bhargav,AR	
राजस्व द्वारा / Revenue by::	Shri Srinath Sadanala,DR	
सुनवाई की तारीख / Date of hearing:	10/12/2024	
घोषणा की तारीख / Date of Pronouncement:	10/12/2024	

आदेश / ORDER

**PER. MANJUNATHA G., A.M:**

These appeals filed by the assessee are directed against the orders dated 16.08.2024 and 23.08.2024 passed by the learned Commissioner of Income Tax (Appeals) [Learned CIT(A)], National Faceless Appeal Centre (NFAC) and pertains to A.Y.2017-18. Since the facts are identical and issues are common, for the sake of convenience, these appeals filed by the assessee were heard together and are being disposed of by this consolidated order.

2. The brief facts of the case are that the assessee, an individual did not file his return of income for the A.Y.2017-18. During the course of assessment proceedings, the Assessing Officer observed that the assessee had deposited huge cash of Rs.1,04,18,770/- in the current account and has also received commission / brokerage of Rs.2,86,397/- from Vodafone Idea Ltd. Notices u/s 148 and 142(1) of the Income tax Act, 1961 (“the Act”) were duly issued and served on the assessee, but the assessee neither appeared nor filed any details. Hence, the Assessing Officer completed the assessment ex-parte u/s 144 of the Act to the best of judgement, based on the details available on record by making addition of Rs.1,07,05,167/- u/s 69A and brought to tax u/s 115BBE of the Act.

3. The assessee carried the matter before the CIT(A), but neither appeared nor filed any return, therefore, the Ld.CIT(A) dismissed the appeal filed by the assessee ex-parte, for non-prosecution and upheld the additions made by the Assessing Officer towards cash deposited u/s 69A of the Act. The Ld.CIT(A) had also upheld the penalty levied u/s 270A and 271AAC of the Act.

4. Aggrieved by the Ld.CIT(A), the assessee is now in appeal before the Tribunal.

5. We have heard both the parties and gone through the orders of the authorities below. Admittedly, the proceedings before the Assessing Officer are ex-parte. The assessee neither appeared nor filed any details, therefore, the Assessing Officer

passed ex-parte best judgement assessment order and made addition towards cash deposits u/s 69A of the Act and brought to tax u/s 115BBE of the Act. Although the appellant filed appeal before the Ld.CIT(A), the assessee neither appeared nor filed any details, which is evident from para 4 of the Ld.CIT(A) order, where the appeal was posted for hearing on many occasions, but there was no response from the assessee. Therefore, the Ld.CIT(A) dismissed the appeal filed by the assessee ex-parte for non-prosecution. However, the issues involved in the appeal include the additions made towards cash deposited u/s 69A and consequent penalties levied u/s 270A and 271AAC of the Act. It is a well settled principle by the decisions of various courts that even in the case of non-appearance of the parties, the appeals should be decided on merits, based on material available on record. Since the Ld.CIT(A) dismissed the appeal filed by the assessee for non-prosecution, in our considered view, to give one more opportunity of hearing to the assessee, the matter needs to be set aside to the file of the lower authorities. Further, since the assessment proceedings itself is ex-parte u/s 144 of the Act, instead of setting aside the issue to the file of the Ld.CIT(A), we deem it appropriate to set aside the issue to the file of the Assessing Officer. Thus, we set aside the order passed by the Ld.CIT(A) and restore the issue back to the Assessing Officer for fresh consideration. The Assessing Officer is directed to reconsider the issue denovo after providing another opportunity of hearing to the assessee, to decide the issue of cash deposited into bank account in accordance with law. The Assessing Officer is also directed to reconsider the issue of penalty levied u/s

270A and 271AAC denovo as per law. The assessee is directed to furnish relevant evidences before the Assessing Officer, without seeking any adjournment. The assessee is also directed to pay nominal cost of Rs.2000/- per appeal for showing non-cooperation to the proceedings and pay the cost as directed above to the State Legal Aid Authority, Hon'ble High Court of Telangana and produce the proof of payment of cost to the Registry within 15 days from the date of this order.

6. In the result, appeals filed by the assessee in ITA No.1038 to 1040/Hyd/2024 are allowed for statistical purpose.

Order pronounced in the Open Court on 10<sup>th</sup> December, 2024.

<b>Sd/-</b>	<b>Sd/-</b>
<b>(K.NARASIMHA CHARY)</b> <b>JUDICIAL MEMBER</b>	<b>(MANJUNATHA G.)</b> <b>ACCOUNTANT MEMBER</b>

Hyderabad,  
dated 10<sup>th</sup> December, 2024  
**L.Rama, SPS**

Copy to:

S.No	Addresses
1	Shri Nagolu Narasimhulu, Door No.8-63, Chennarajupodu, Obulavaripalle Mandal, Annamayya District, Kadapa
2	The Income Tax Officer, Ward (1), Kadapa
3	The Pr. CIT, Kurnool
4	The DR, ITAT Hyderabad Benches
5	Guard File

*By Order*