

**आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम**  
IN THE INCOME TAX APPELLATE TRIBUNAL,  
VISA KHAPATNAM BENCH, VISA KHAPATNAM

**श्री के नरसिम्हाचारी, न्यायिक सदस्य एवं श्री एस बालाकृष्णन, लेखा सदस्य के समक्ष**  
BEFORE SHRIK NARASIMHA CHARY, HON'BLE JUDICIAL MEMBER &  
SHRI S BALAKRISHNAN, HON'BLE ACCOUNTANT MEMBER

**(Hybrid Hearing)**

आयकर अपीलसं./ I.T.A.532/Viz/2024  
(निर्धारण वर्ष/ Assessment Year: 2015-16)

Usha Rani Chebrolu, Guntur. PAN: ABMPC8555B (अपीलार्थी/ Appellant) अपीलार्थी की ओर से/ Assessee by प्रत्यार्थी की ओर से/ Revenue by	Vs.	Income Tax Officer, Ward-2(1), Guntur. (प्रत्यर्थी/ Respondent) Sri I. Kama Sastry, AR Dr. Aparna Villuri, Sr. AR
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सुनवाई की तारीख/ Date of Hearing	:	12/02/2025
घोषणा की तारीख/Date of Pronouncement	:	07/03/2025

**O R D E R**

**PERS. BALAKRISHNAN, Accountant Member :**

This appeal filed by the assessee is against the order of the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi ("Ld. CIT(A)") vide DIN & Order No. ITBA/NFAC/S/250/2024-25/1069780417(1), dated 18/10/2024 arising out of the order passed U/s. 147 r.w.s 144 of the Income Tax Act, 1961 ("the Act") for the AY 2015-16.

2. Brief facts of the case are that the assessee is an individual and did not file her return of income for the AY 2015-16. As per the information available with the Department, the Ld. AO observed that the assessee has received interest amounting to Rs.3,24,589/- and has made time deposit of Rs. 51,93,088/- during the AY 2015-16. Therefore, the Ld. AO was of the opinion that the interest income and time deposit chargeable to tax has escaped assessment and hence, the assessee's case was reopened for scrutiny by invoking the provisions of section 147 of the Act after passing an order U/s. 148A(d) of the Act. Accordingly, a notice U/s. 148A(b) of the Act was issued on the assessee with the prior approval of the competent Authority. However, there was no compliance from the assessee even though the notice was served by email/ speed post. Therefore, considering the assessee's non-compliance / no response to the notices issued, the Ld. AO concluded the assessment as best judgment assessment by invoking the provisions of section 144 of the Act. Thus, in the assessment order passed U/s. 144 r.w.s 147 r.w.s 144B of the Act, the Ld. AO made the following additions ie., (i) Addition U/s.56 of the Act on account of undisclosed interest of Rs. 3,24,589/- treating the same as income from other sources

and (ii) Addition of Rs. 51,93,088/- on account of unexplained money U/s. 69A of the Act and determined the total income at Rs. 55,17,677/-. Aggrieved by the order of the Ld. AO, the assessee preferred an appeal before the Ld. CIT(A).

3. On appeal, the Ld. CIT(A) passed exparte order and dismissed the appeal of the assessee. Aggrieved by the order of the Ld. CIT(A), the assessee is in appeal before the Tribunal by raising the following grounds of appeal:

- “1. The entire reassessment proceedings are bad in law as the notice U/s. 148 dated 8/4/2022 has never been served on the assessee either electronically or physically except for placing same in the assessee’s account on the ITBA Portal.*
- 2. The notice issued U/s. 148 dated 8/4/2022 is barred by limitation as per the proviso to section 149(1)(b) being beyond six years from the end of the relevant assessment year.*
- 3. The show cause notice U/s. 148A(b) dated 19/03/2022 is invalid as the same has not given 7 clear days for compliance consequently the entire reassessment proceedings are invalid and void ab initio.*
- 4. The notice U/s. 148 dated 8/4/2022 issued by the Income Tax Officer, Ward-2(1), Guntur is invalid for the reason that i. the notice has been issued by the jurisdictional Assessing Officer instead of by the National Faceless Assessment centre as mandated by the e-assessment of income escaping assessment scheme. (ii) the notice is issued with prior approval of Pr. CCIT, AP & Telangana, Hyderabad, whereas no such approval is needed for notices issued on or after 01/04/2022 where order U/s. 148A(d) is passed with prior approval of the specified authority. (iii). The material relied on for passing the order*

*U/s. 148A(d) and copy of the approval of the specified authority is not furnished to the assessee till date though the same is mandated by the CBDT guidelines for issue of notices U/s. 148. Consequently, the entire assessment proceedings under such an invalid notice are bad in law and ab initio void.*

5. *The Assessment Unit, National Faceless Assessment Centre is not justified and the CIT(A), National Faceless Appeal Centre is not justified in confirming the determination of Rs. 55,17,677/- as taxable income of the assessee by treating the following amounts as income of the assessee time deposits in bank Rs. 51,93,080/- and interest income of Rs. 3,24,589/- totaling to Rs. 51,17,677/-.*
6. *The computation of income tax is totally wrong as the assessment unit has levied tax of Rs. 14,80,304 on income of Rs. 3,24,589/- chargeable at normal rate of tax applicable to individuals Sl No. 23 of the computation sheet attached to the assessment order. Consequently, the surcharge and education cess levied is also on the higher side as also the interest under section 234A and 234B.*
7. *The period for which interest U/s. 234A is levied is not justified as the same cannot be levied for the period during which it is not possible for the assessee to file a valid return of income.*
8. *All the above grounds of appeal are mutually exclusive and without prejudice to one another.*
9. *The appellant craves leave to add to, alter, amend, modify, delete all or any of the above grounds of appeal.”*

4. At the outset, the Ld. AR submitted before us that the Ld. CIT (A) has passed ex-parte order without providing proper opportunity to the assessee of being heard. It was therefore pleaded that the matter may be remitted back to the file of the Ld CIT (A) in order to provide one more opportunity to the assessee of being heard.

5. Ld. DR, on the other hand, vehemently opposed to the submissions of the Ld. AR and argued that several opportunities had been provided to the assessee however, on the given dates of hearing, neither the assessee nor his Representative appeared before the Ld. CIT (A). It was further submitted that the Ld. CIT (A) had no other option but to pass ex-parte order based on the materials available on record. Hence, it was pleaded that the order passed by the Ld. CIT(A) does not call for any interference.

6. We have heard the rival submissions and carefully perused the materials on record. On examining the facts of the case, we find that the Ld. CIT (A) had posted the case on several occasions. However, none appeared on behalf of the assessee before the CIT(A) on the dates of hearing. Therefore, the Ld. CIT (A) was left with no other option except to adjudicate the appeal ex-parte. In this situation, we do not find much strength in the arguments advanced by the ld. AR. However, considering the prayer of the Ld. AR, and in the interest of justice, we hereby remit the matter back to the file of Ld. CIT (A) in order to consider the appeal afresh on merits by providing one more opportunity to the assessee of being heard. At the same breath, we also hereby caution the assessee to promptly co-operate before the Ld. CIT (A) in the proceedings failing which the Ld. CIT (A) shall be at liberty to pass appropriate order in

accordance with law and merits based on the materials on the record. It is ordered accordingly.

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

Pronounced in the open Court on 07<sup>th</sup> March, 2025.

Sd/-  
(श्रीकेनरसिम्हाचारी)  
(K NARASIMHA CHARY)  
न्यायिकसदस्य/JUDICIAL MEMBER

Sd/-  
(एस बालाकृष्णन)  
(S.BALAKRISHNAN)  
लेखासदस्य/ACCOUNTANT MEMBER

Dated :07/03/2025  
OKK - SPS

आदेशकीप्रतिलिपिअप्रेषित/Copy of the order forwarded to:-

1. निर्धारिती/ The Assessee-Usha Rani Chebrolu, 3-1-2, Rajendranagar, Pattabhipuram, Guntur, Andhra Pradesh-522006.
2. राजस्व/The Revenue – Income Tax Officer, Ward-2(1), O/o. ITO, Lakshmipuram Main Road, Guntur, Andhra Pradesh-522006.
3. The Principal Commissioner of Income Tax,
4. आयकरआयुक्त (अपील)/ The Commissioner of Income Tax
5. विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, विशाखापटणम/ DR,ITAT, Visakhapatnam
6. गार्डफ़ाईल / Guard file

आदेशानुसार / BY ORDER

Sr. Private Secretary  
ITAT, Visakhapatnam