



**IN THE INCOME TAX APPELLATE TRIBUNAL, PANAJI BENCH, PANAJI**



**BEFORE HON'BLE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER**

**AND**

**SHRI G. D. PADMAHSHALI, ACCOUNTANT MEMBER**

**ITA Nos. 028/PAN/2025**

**Assessment Year : 2017-18**

Gangappa Dundappa Agasar

Badli, Saundatti,

Belgaum-591111

PAN : APZPA2849H

..... *Appellant*

V/s

Income Tax Officer,

Ward-2(1), Goa.

..... *Respondent*

**Appearances**

Assessee by : None for the Assessee

Revenue by : Ms Rijjula Uniyal ['Ld. DR']

सुनवाई की तारीख / Date of conclusive Hearing : 01/04/2025

घोषणा की तारीख / Date of Pronouncement : 01/04/2025

**ORDER**

**PER G. D. PADMAHSHALI:**

The captioned appeal of the assessee impugns DIN & Order ITBA/NFAC/S/250/2024-25/1065969614(1) dt. 24/06/2024 passed by the National Faceless Appeal Centre, Delhi ['Ld. NFAC' hereinafter] u/s 250 of the Income-tax Act, 1961 ['the Act' hereinafter] which in turn arisen out of order of assessment dt. 02/12/2019 passed u/s 144 of the Act by the Income Tax Officer, Ward-5, Belgavi ['Ld. AO' hereinafter] anent to assessment year 2017-18 ['AY' hereinafter].



**2. Tersely stated facts of the case are that;** the assessee is an individual and was identified as non-filer. Upon the receipt of information from AIMS module that assessee during the year under consideration deposited special bank note [‘SBN’ hereinafter] worth ₹11,51,500/- into his bank account maintained with Punjab National Bank, Dharwad Branch, the Ld. AO by various notices u/s 142(1) of the Act called upon the assessee to file return of income and explain the nature & source of such bank deposits. In the event of non-compliance and effective failure on the part of the assessee to (a) file return of income in response to aforestated notices and (b) to offer satisfactory explanation about the nature & source of cash/SBN of ₹11,51,500/-, deposited by him in his bank account, the Ld. AO culminated the proceeding *ex-parte* to the best of his judgement by bringing to tax the entire amount of SBN deposits u/s 69A r.w.s. 115BBE of the Act as the unexplained money and framed the consequential assessment u/s 144 of the Act. Aggrieved by the *ex-parte* assessment the assessee instituted an appeal thereagainst before Ld. NFAC, which also came to be dismissed *ex-parte* owing to non-prosecution and in the absence of evidences.



3. Aggrieved by impugned *ex-parte* order, the assessee came in present appeals challenging the proceedings first on the ground of violation of principle of nature justice later on its merits.

4. The case was called twice; none appeared at the behest of the appellant and finding no sufficient reasons to adjourn, the application for same is rejected and proceeded *ex-parte* u/r 24 of ITAT-Rules, 1963. Without touching grounds and merits we have heard the Revenue on limited issue of *ex-parte* dismissal of first appeals and subject to rule 18 of ITAT-Rules 1963 perused material placed on record. Admittedly, the appellant neither in the course of assessment proceedings nor in the course of first appellate proceedings could lay any cogent evidences to dismantle the alleged addition. We note that, both these proceedings before the tax authorities below indeed found culminated *ex-parte* without appellant's assistance and in the complete absence of cogent & credible evidences. The impugned proceedings thus ceased without effectively determining the rights & liabilities of rival parties, therefore in our considered view the alleged proceedings and consequential impugned order could hardly be continued to stand.



5. We also note that, while exercising jurisdiction u/s 251(1)(a) of the Act, Ld. NFAC is required to state point of determination, decision thereon and reasons therefore in terms of section 250(6) of the Act. A plain reading of above section reveals that, it was incumbent upon Ld. NFAC to make necessary enquiries before passing an order and while doing so it necessitates to deal with each issue/ground on merits even in *ex-parte* proceedings. *Per contra* it is found in the instant case that, in the event of non-prosecution the Ld. NFAC dismissed the appeal simply by reiterating the findings of Ld. AO but without adjudicating in terms of s/s (6) of section 250 of the Act. The impugned adjudication since inconsonance with above provision (*supra*), therefore we find strong reason in setting-aside the impugned order at the stage of its institution with a direction for *de-novo* adjudication in accordance with law. Ordered Accordingly.

**6. The appeal in result stands allowed for statistical purposes.**

In terms of rule 34 of ITAT Rules, 1963 the order pronounced in the open court on date mentioned herein before.

**-S/d-**

**PAVAN KUMAR GADALE**  
**JUDICIAL MEMBER**

**-S/d-**

**G. D. PADMAHSHALI**  
**ACCOUNTANT MEMBER**

Panaji/Dt: 01st April, 2025.

**Copy of the Order forwarded to :**

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|-------------------|-----------------------------------|------------------------------|
| 1. The Appellant. | 2. The Respondent.                | 3. The CIT(A)/NFAC Concerned |
| 4. PCIT Concerned | 5. DR, ITAT, Panaji Bench, Panaji | 6. Guard File                |

By Order,  
Sr. Private Secretary / AR ITAT, Panaji.