



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. 061/PAN/2025

Assessment Year : 2017-18

Vishwanath Bellad

No123, Godan Plot No. 494,

Dalgi Gokak, Belgaum-591312

PAN : BCAPB0771N

.....Appellant

V/s

Income Tax Officer,

Ward-1, Gokak.

..... Respondent

Appearances

Assessee by : Mr S B Gadadi ['Ld. AR']

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

Date of conclusive Hearing : 03/04/2025

Date of Pronouncement : 04/04/2025

ORDER

PER G. D. PADMAHSHALI;

The captioned appeal of the assessee impugns DIN & Order No. 1067775179(1) dt. 20/08/2024 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. 25/03/2022 passed u/s 147 r.w.s 144 r.w.s. 144B of the Act anent to assessment year 2017-18 ['AY' hereinafter].



2. The present appeal is time barred by 145 days as computed & stated by the assessee in his affidavit executed on 14/03/2025. The facts and circumstance which caused the said delay in instituting the appeal within the time limit prescribed u/s 253(3) of the Act and the reasons thereof were perused and found them sufficient to condone the same in the larger interest of justice. After recording the respondents no objection, we condoned the delay and advanced for adjudication.

3. Tersely stated facts of the case are that; the assessee is an individual and was identified as non-filer. Upon receipt of information from AIMS module that during the year assessee deposited special bank note ['SBN' hereinafter] worth ₹1,06,67,400/- into State Bank of India account, the Ld. AO reopened the case u/s 148 of the Act and called upon the assessee to file return and explain nature & source of such bank deposits. In the event of non-compliance and effective failure on the part



of the assessee (a) to file return and (b) to offer satisfactory explanation about nature & source of cash/SBN of ₹1,06,67,400/- & ₹50,29,101/- deposited into his SBI & Karnataka Vikas Grameen Bank accounts respectively, the Ld. AO culminated the proceeding *ex-parte* to best of his judgement by bringing to tax entire deposits u/s 69A r.w.s. 115BBE of the Act as the unexplained money and framed the consequential assessment u/s 147 r.w.s. 144 r.w.s. 144B of the Act.

4. 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 absence of evidences. Aggrieved thereby the assessee is in appeals before us.

5. Without touching grounds and merits we have heard the rival parties on limited issue of *ex-parte* dismissal of first appeals and subject to rule 18 of ITAT-Rules 1963 perused material placed on record.



6. We note that, the entire assessment proceedings were conducted during the substance of COVID-19 pandemic and owing to restriction placed thereby the appellant could hardly be able to comply with the notices, file return and explain nature & source of bank deposits. When matter travelled in appeal, the Ld. NFAC granted five hearing opportunities one after another which also went unattended by the appellant. The reasons for non-prosecution of appeal by the appellant were explained to the satisfaction of the respondent. We note that, there is nothing on record to disbelieve that non-compliance with the notices issued in assessment proceedings and non-prosecution of first appeal by the appellant was accidental or undeliberate. In summation, both the proceedings before the tax authorities below indeed found to have culminated *ex-parte* without appellant's assistance and in complete absence of cogent & credible evidences. We also note that, in the absence of material while exercising jurisdiction u/s 251(1)(a) of the Act, Ld.



NFAC could hardly state point of determination, decision thereon and reasons therefore in terms of section 250(6) of the Act. The impugned proceedings, therefore also suffered from the compliance of s/s (6) (supra). Thus, both the proceedings ceased without determining rights & liabilities of rival parties effectively, therefore necessitates grant of one more opportunity of hearing to the appellant to prove his case on merits which can only be possible on remand of file to the Ld. NFAC but on an agreed token cost of ₹1000/- on appellant. Accordingly, we set-aside the impugned order and remand the file at the stage of its institution to the Ld. NFAC for *de-novo* adjudication in accordance with law.

7. In result, appeal is 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**

Panaji/Dt: 04th 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 |

-S/d-

**G. D. PADMAHSHALI
ACCOUNTANT MEMBER**

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