

आयकर अपीलीय अधिकरण, विशाखापटणम पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Visakhapatnam Bench, Visakhapatnam

Before Shri Vijay Pal Rao, Vice President
and
Shri Balakrishnan S., Accountant Member

आ.अपी.सं /ITA No.191/Viz/2025
(निर्धारण वर्ष/Assessment Year: 2017-18)

Dadi Venkata Rameswara Rao Visakhapatnam [PAN : AFHPD5141B]	Vs.	Income Tax Officer Ward-2(1) Visakhapatnam
(Appellant)		(Respondent)
निर्धारिती द्वारा/Assessee by:		Shri GVN Hari, AR (through Hybrid hearing)
राजस्व द्वारा/Revenue by:		Dr.Aparna Villuri, DR
सुनवाई की तारीख/Date of Hearing:		30/04/2025
घोषणा की तारीख/Date of Pronouncement:		30/04/2025

आदेश / ORDER

PER. VIJAY PAL RAO, VICE PRESIDENT :

This appeal filed by the assessee is directed against the order dated 24.01.2025 of Commissioner of Income Tax (Appeals) ["Ld.CIT(A)"], National Faceless Appeal Centre, Delhi for the assessment year 2017-18.

2. The assessee has raised the following grounds of appeal :
 - 1) The order of the learned Commissioner of Income Tax (Appeal) is contrary to the facts and also the law applicable to the facts of the case

2) The learned Commissioner of Income Tax (Appeals) is not justified in not giving sufficient opportunity of hearing to the appellant and in dismissed the appeal ex-parte.

3) Without prejudice to the above, the learned Commissioner of Income Tax (Appeals) is not justified in sustaining the addition of Rs.46,71,000 made by the assessing officer u/s 69A of the Act towards unexplained cash deposits during demonetization period.

4) Any other ground that may be urged at the time of appeal hearing.

3. At the time of hearing, the learned AR of the assessee has submitted that the Ld.CIT(A) has dismissed the appeal of the assessee while passing the ex-parte order for non-prosecution. Thus, the addition made by the Assessing Officer (“the AO”) of Rs.46,71,000/- on account of unexplained deposit in the bank has been confirmed. The Ld.AR has referred to the reply to the show cause notice placed at page No.29 as well as bank account statement placed at page No.44 of the paper book and submitted that the assessee has explained the source of the cash as sales of Indian Made Foreign Liquor (“IMFL”) as the assessee is running bar and restaurant for the past several years. The assessee has declared the turnover of Rs.2,91,10,200/- during the year and therefore, the cash generated from the business was deposited in the bank account. The bank account statement reveals that the cash deposited was used only for making the payments for purchase of the

liquor. Thus, the Ld.AR has submitted that without considering the details and reply already filed by the assessee, the Ld.CIT(A) has dismissed the appeal ex-parte. He has also referred to para 7 of the assessment order and submitted that the AO has made additions by recording the fact that there is partial reply on behalf of the assessee. Thus, the Ld.AR has pleaded that the matter should be remanded to the record of the Ld.CIT(A) for fresh adjudication on merits.

4. On the other hand, Ld.DR has raised no serious objection if the matter is remanded to the record of the Ld.CIT(A) for fresh adjudication.

5. Having considered the rival submissions and careful perusal of the record, we find that the Ld.CIT(A) has stated in para 4 that during the appeal proceedings, several notices were issued, giving opportunities of being heard to the assessee, but no response is received till date. However, the Ld.CIT(A) has not given a single detail of the alleged notices that were issued to the assessee. The Ld.CIT(A) has dismissed the appeal of the assessee for non-prosecution and in the absence of any reply / documentary evidence in support of the grounds of appeal. Accordingly, in the facts and circumstances of the case, it is manifested that without considering the reply and record already filed by the assessee during the assessment proceedings, the Ld.CIT(A) has dismissed the appeal while

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passing the impugned ex-parte order. Hence, in the facts and circumstances of the case, when the Ld.CIT(A) has not passed speaking order based on the records available with the AO, the impugned order of the Ld.CIT(A) is set aside and matter is remanded to the record of the Ld.CIT(A) for fresh adjudication after giving appropriate opportunity of hearing to the assessee.

6. In the result, appeal of the assessee is allowed for statistical purpose.

Order pronounced in the Open Court on conclusion of hearing on 30th April, 2025.

Sd/- (BALAKRISHNAN S.) ACCOUNTANT MEMEBR	Sd/- (VIJAY PAL RAO) VICE PRESIDENT
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Hyderabad,
Dated 30th April, 2025
L.Rama, SPS

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Copy to:

S.No	Addresses
1	Shri Dadi Venkata Rameswara Rao, D.No.3-20/1, Kothapalem, Gopalapatnam, Visakhapatnam
2	The Income Tax Officer, Ward-2(1), Income Tax Office, Infinity Towers, Sankaramatam Road, Visakhapatnam
3	The Pr.CIT, Visakhapatnam
4	The DR, ITAT Visakhapatnam Benches
5	Guard File

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