

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

**श्री रविश सूद, न्यायिक सदस्य एवं**  
**श्री मधुसूदन सावडिया, लेखा सदस्य के समक्ष ।**  
**BEFORE SHRI RAVISH SOOD, JUDICIAL MEMBER AND**  
**SHRI MADHUSUDAN SAWDIA, ACCOUNTANT MEMBER**

आ.अपी.सं / **ITA No.130/Hyd/2025**  
(निर्धारण वर्ष / Assessment Year: 2016-17)

Shri Rajshekar Yadhar, Madanapalle. PAN:AAPPY6974L	<b>Vs.</b>	Income Tax Officer, Ward-1, Madanapalle.
(Appellant)		(Respondent)
निर्धारिती द्वारा / Assessee by:	Shri Prasanna Urala, Advocate	
राजस्व द्वारा / Revenue by: :	Ms. Vishnu Priya, SR-DR	
सुनवाई की तारीख / Date of hearing:	05/06/2025	
घोषणा की तारीख / Pronouncement:	10/06/2025	

**आदेश/ORDER**

**PER MADHUSUDAN SAWDIA, A.M.:**

This appeal is filed by Shri Rajshekar Yadhar (“the assessee”), feeling aggrieved by the order passed by the Learned Addl/JCIT-8, Mumbai (“Ld. First Appellate Authority”), dated 27.12.2024 for the A.Y. 2016-17.

2. The assessee has raised the following grounds of appeal :

*“ 1. The order of the Hon'ble FAA-8, Mumbai, is opposed to law and facts of the case.*

2. *The Hon'ble CIT(A)-8, Mumbai, erred in upholding the addition to the extent of Rs.8,35,000/- made by the Assessing Officer.*
3. *The Hon'ble CIT(A)-8, Mumbai, ought to have held that the provisions of section 69 of the IT Act is not applicable in the facts and circumstances of the present case.*
4. *The Hon'ble CIT(A)-8, Mumbai, ought to have accepted the explanation given by the appellant relating to the addition of Rs.8,35,000/-.*
5. *The appellant craves for leave to add to, delete from or amend the grounds of appeal.”*

3. The brief facts of the case are that, the assessee is an individual, filed his return of income for the A.Y. 2016–17 on 05.01.2018, declaring total income of Rs.2,88,830/-. The assessee derives income from house property, real estate business and money lending. The case of the assessee was selected for scrutiny to verify the source of cash deposits in his bank account. Accordingly, notice under section 143(2) of the Income Tax Act, 1961 (“the Act”) was served on the assessee on 27.09.2018.

3.1 During the assessment proceedings, the Learned Assessing Officer (“Ld. AO”) sought an explanation regarding the sources of cash deposited in the assessee’s bank accounts. However, the assessee failed to submit satisfactory explanations qua the cash deposits.

Consequently, the Ld. AO treated the peak closing balance in the assessee's Andhra Bank, savings account, amounting to Rs.11,31,058/- as on 09.10.2015, as unexplained investment u/s. 69 of the Act and added the same to the assessee's total income. The assessment was completed on 24.12.2018, determining the total income at Rs.14,19,888/-.

4. Aggrieved by the order of Ld. AO , the assessee preferred appeal before the Ld. First Appellate Authority. The Ld. First Appellate Authority granted partial relief, restricting the addition to Rs.8,35,000/- . Specifically, the Ld. First Appellate Authority sustained the addition in respect of cash deposits of Rs.1,00,000/- on 22.05.2015 and Rs.85,000/- on 20.06.2015, and further disallowed the assessee's claim regarding cash gifts of Rs.6,50,000/- received from his mother, father-in-law, and mother-in-law, on the ground of insufficient supporting evidence.

5. Aggrieved with the order of Ld. First Appellate Authority, the assessee is in appeal before us. The Learned Authorised Representative ("Ld. AR") submitted that, the assessee could not

obtain the necessary evidences during the proceedings before the Ld. AO and the Ld. First Appellate Authority, and accordingly, has filed an application under Rule 29 of the Income Tax (Appellate Tribunal) Rules, 1963 (“ITAT Rules”) seeking admission of affidavits of the mother-in-law, father-in-law, and mother of the assessee regarding the alleged gift of Rs.6,50,000/-. The Ld. AR also submitted that the assessee is now in a position to furnish evidence explaining the cash deposits of Rs.1,00,000/- and Rs.85,000/- made on 22.05.2015 and 20.06.2015, respectively. It was pleaded that in the interest of justice and in adherence to the principles of natural justice, the matter may be remanded to the file of the Ld. AO so that the assessee could be provided one more opportunity to submit the relevant evidence in support of his claim.

6. Per contra, the Learned Departmental Representative (“Ld. DR”) opposed the admission of additional evidence at this stage and objected to any remand. It was submitted that the assessee was already granted sufficient opportunity by both the Ld. AO and the Ld. First Appellate Authority, but failed to avail the same. The Ld. DR

submitted that permitting the assessee to re-agitate the matter would amount to allowing a second inning which is not justified in law.

7. We have heard the rival contentions and also gone through the record in the light of the submissions made by either side. It is an admitted fact that the Ld. AO made an addition of Rs.11,31,058/- u/s. 69 of the Act, treating the peak balance in the Andhra Bank, savings account as unexplained investment. On appeal, the Ld. First Appellate Authority granted partial relief and sustained the addition to the extent of Rs.8,35,000/-. It is also evident from the record that the assessee now seeks to file affidavits from family members to substantiate the claim of cash gift and to furnish explanations with supporting evidence in respect of the cash deposits on 22.05.2015 and 20.06.2015. The Ld. AR has moved an application under Rule 29 of the ITAT Rules seeking to admit this additional evidence.

7.1 Considering the overall facts and circumstances of the case, and in the interest of natural justice, we are of the considered opinion that the assessee deserves one more opportunity to submit the requisite evidence. We have gone through the additional evidence in the form of

affidavits sought to be placed on record and find that they are relevant to the issue under consideration and necessary for proper adjudication of the matter. Accordingly, we deem it appropriate to remand the matter to the file of the Ld. AO with a direction to examine the additional evidences sought to be furnished by the assessee, including the affidavits, and afford reasonable opportunity of being heard before re-adjudicating the issue afresh in accordance with law.

8. In the result, the appeal filed by the assessee is allowed for statistical purposes.

**Order pronounced in the open Court on 10th June, 2025.**

**Sd/-**

**Sd/-**

**(RAVISH SOOD)**  
JUDICIAL MEMBER

**(MADHUSUDAN SAWDIA)**  
ACCOUNTANT MEMBER

Hyderabad.

Dated: 10.06.2025.

\* Reddy gp

**Copy of the Order forwarded to :**

1.	Shri Rajshekar Yadhar, XI-260, R R Street, Madanapalle-517 325 Andhra Pradesh.
2.	ITO, Ward-1, Madanapalle.
3.	Pr.CIT, Tirupati.
4.	DR, ITAT, Hyderabad.
5.	Guard file.

BY ORDER,