

**आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम**

**IN THE INCOME TAX APPELLATE TRIBUNAL  
VISA KHAPATNAM "SMC" BENCH, VISA KHAPATNAM**

**श्री वीरवल्ली दुर्गा राव, न्यायिक सदस्य एवं श्री एस बालाकृष्णन, लेखा सदस्य के समक्ष  
BEFORE SHRI VEERAVALLI DURGA RAO, HON'BLE JUDICIAL MEMBER**

**&**

**SHRI S BALAKRISHNAN, HON'BLE ACCOUNTANT MEMBER**

**आयकर अपीलसं./I.T.A.No.270/VIZ/2025  
(निर्धारणवर्ष/ Assessment Year: 2015-16)**

<b>Gairuboina Subbaiah L/R of (Late) Gairuboina Sambasiva Rao D.No. 1-33, Bethapudi Post 4<sup>th</sup> Ward, Near Panchayati Office Managalagiri Mandal, Guntur – 522503 Andhra Pradesh  [PAN: BMPPG6006E] (अपीलार्थी/ Appellant)</b>	<b>v.</b>	<b>Income Tax Officer - Ward 2(1) Lakshmipuram Main Road Guntur – 522006 Andhra Pradesh  (प्रत्यर्थी/ Respondent)</b>
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करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Smt A. Aruna, Advocate
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr.Aparna Villuri, Sr.AR
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	16.06.2025
घोषणा की तारीख/Date of Pronouncement	:	18.06.2025

**आदेश /O R D E R**

**PER SHRI S BALAKRISHNAN, ACCOUNTANT MEMBER:**

1. This appeal is filed by the assessee against the order of Learned Commissioner of Income Tax (Appeals), National Faceless Appeal centre, Delhi [hereinafter in short "Ld.CIT(A)"] vide DIN & Order No.

ITBA/NFAC/S/250/2024-25/1073674979(1) dated 25.02.2025 for the A.Y.2015-16 arising out of order passed under section 147 r.w.s. 144 of the Income Tax Act, 1961 (in short 'Act') dated 23.03.2024.

2. Brief facts of the case are that, assessee is an individual and has not filed return of income for the A.Y. 2015-16. Ld. Assessing Officer [hereinafter in short "Ld. AO"] received information from the Risk Management Strategy formulated by the CBDT through insight portal under the head "NMS cases" that assessee has entered into following transactions: -

<b>Information Description</b>	<b>Source</b>	<b>Amount (Rs.)</b>
TDS Statement – Compensation on acquisition of certain Immovable property (Section 194LA)	Revenue Divisions Office – Guntur	10,01,035/-
Deposit In cash aggregating to Rs.2,00,000/- or more, with a banking company	State Bank of Hyderabad, 21130 Mangalagiri	29,50,000
Deposited cash of Rs. 10,00,000 or more in a saving bank account	State Bank of Hyderabad – Gunfoundry Br.	29,50,000

Accordingly, the case of the assessee was reopened under section 147 of the Act with the prior approval of the competent authority. Subsequently, notice under section 148 of the Act was issued on 07.04.2022. In response, the assessee had not complied to the notice. Later the case was assigned to National Faceless Appeal centre, Delhi and the same was transferred to Jurisdictional Assessing Officer. Further, Statutory notices under section 142(1) of the Act was issued on various dates from time to time. In response,

assessee failed to furnish the details called for. Therefore, Ld. AO proceeded to complete the assessment under section 144 of the Act and determined the income of the assessee at Rs.39,62,242/- by making addition of Rs. 29,61,207/- towards income from other sources and Rs.10,0101,035/- towards income from capital gains.

3. On being aggrieved, assessee preferred an appeal before Ld. CIT(A) but the assessee even after receipt of the hearing notices on various dates did not file any supporting documents on his contentions as per the grounds of appeal raised by the assessee as called for. Therefore, the Ld. CIT(A) disposed of the appeal exparte based on the merits available on record.

4. On being aggrieved, assessee preferred an appeal before the Tribunal and raised following grounds of appeal: -

*“1. The order of the learned Commissioner of Income Tax (Appeals) 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 dismissing the appeal ex-parte.*

*3. The learned Commissioner of Income Tax (Appeals) ought to have quashed the notice issued u/s 148 of the Act as barred by limitation.*

*4. The learned Commissioner of Income Tax (Appeals) ought to have quashed the notice issued u/s 148 as invalid and the consequent reassessment proceedings as void ab initio.*

*5. The learned Commissioner of Income Tax (Appeals) ought to have deleted the addition of Rs.29,50,000 made by assessing officer u/s 69A of the Act towards unexplained cash deposits in bank account.*

6. *The learned Commissioner of Income Tax (Appeals) ought to have deleted the addition of Rs.10,01,035 made by the assessing officer towards short term capital gains.*

7. *Any other grounds may be urged at the time of hearing.”*

5. At the outset, Ld. Authorised Representative [hereinafter “Ld.AR”] submitted that Ld.CIT(A) passed exparte order without providing adequate opportunity of being heard to the assessee. Therefore, considering additions/disallowance made by the Ld. AO, Ld.AR pleaded that one more opportunity may be granted to the assessee before the Ld. CIT(A) and the matter may be remitted back to the file of the Ld. CIT(A).

6. On the other hand, Ld. Departmental Representative [hereinafter in short “Ld. DR”] relied on the order of the Ld.CIT(A) and submitted that assessee has not utilized the opportunity provided by Ld.CIT(A). Therefore, the order passed by Ld. CIT(A) is exparte order and pleaded to confirm the orders passed by the Revenue Authorities.

7. We have heard both the sides and perused the material available on record. On a perusal of the Ld.CIT(A) order, it is observed that even though the Ld.CIT(A) provided opportunity on several occasions, assessee could not appear nor complied to the notices issued. Considering the submissions of the Ld. AR and totality of facts and keeping in view the additions / disallowance made by the Ld. AO, in the interest of providing substantial justice, we are of the opinion that assessee should be given one more opportunity of being heard.

Therefore, considering the facts and circumstances of the case and in order to meet the principles of natural justice, we are of the view that it is a fit case to remit the matter back to the file of the Ld. CIT(A) for fresh consideration and decide the case on merits. Assessee is directed to cooperate with the proceedings before the Ld. CIT(A) without seeking unnecessary adjournments. Thus, the grounds raised by the assessee are allowed for statistical purposes.

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

Order pronounced in the open court on 18<sup>th</sup> June, 2025.

Sd/-  
(वीरवल्ली दुर्गराव)  
(VEERAVALLI DURGA RAO)  
न्यायिक सदस्य/JUDICIAL MEMBER  
Dated: 18.06.2025  
Giridhar, Sr.PS

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

आदेशकीप्रतिलिपिअग्रेषित/ **Copy of the order forwarded to :-**

1.	निर्धारिती/ The Assessee	:	<b>Gairuboina Subbaiah</b> <b>L/R of (Late) Gairuboina Sambasiva Rao</b> D.No. 1-33, Bethapudi Post 4 <sup>th</sup> Ward, Near Panchayati Office Managalagiri Mandal, Guntur – 522503 Andhra Pradesh
2.	राजस्व/ The Revenue	:	<b>Income Tax Officer - Ward 2(1)</b> Lakshmpuram Main Road Guntur – 522006 Andhra Pradesh
3.	The Principal Commissioner of Income Tax		
4.	विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, विशाखापटणम /DR,ITAT, Visakhapatnam		
5.	The Commissioner of Income Tax		
6.	गार्डफ़ाईल / Guard file		

आदेशानुसार / BY ORDER

Sr. Private Secretary  
ITAT, Visakhapatnam