

IN THE INCOME TAX APPELLATE TRIBUNAL PANAJI
BENCH PANAJI

BEFORE SHRI PAVAN KUMAR GADALE, JUDICIAL
MEMBER & SHRI G D PADMAHSHALI ACCOUNTANT
MEMBER

I T A.No.49/PAN/2025
(A.Y.2016-17)

Ashok Appaji Patil, 3338/1A,Sankalp building, Gondhalli Galli, Belagavi-590001, Karnataka.	Vs.	I T O, International Taxation, 3 floor, REAC, Panaji-403001, Goa.
PAN/GIR No:AQOPP2917M		
Appellant	..	Respondent

Appellant by :	Letter dt 1-07-2025.
Respondent by :	Smt.Rijula Uniyal.Sr.DR

Date of Hearing	02.07.2025
Date of Pronouncement	03.07.2025

आदेश / O R D E R

PER PAVAN KUMAR GADALE, JM:

The assessee has filed the appeal against the order of the Assessing Officer passed u/s 144 r.w.s 144C(13) of the Income Tax Act, 1961 passed in pursuance to the directions of the Dispute Resolution Panel (DRP) u/s 144C(5) of the Act. The assessee has raised grounds of appeal challenging the action of lower authorities DRP/AO partly sustaining the addition without providing

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adequate opportunity of hearing and not considering the submissions and evidences.

2. The brief facts of the case are that, the assessee has not filed the return of income for A.Y.2016-17. The Assessing Officer (AO) based on the information from RMS data found that the assessee has purchased immovable property of Rs.1,60,00,000/ in the F.Y.2015-16. The assessing officer has reason to believe that the income has escaped assessment and has issued the notice u/sec148 of the Act dated 26.03.2023 and in compliance, the assessee has filed the return of income disclosing a total income of Rs.NIL on 24.04.2023. Further notice u/sec 143(2) and U/sec 142(1) of the Act are issued to furnish the details of sources and documents supporting the purchase of property. The assessee has filed the explanations along with sources and housing loan with respect to purchase of two flats at Borivali Mumbai dealt at Para 5 to 7.4 of the order. Whereas the AO was not satisfied with the explanations in respect of Sources of purchases to the extent of Rs.42,00,000/- made an addition u/sec 69 & u/sec69A of the Act and assessed the total income

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of Rs.42,00,000/- and passed a draft assessment order on 19.03.2024 u/s 144C(1) of the Act.

3. Aggrieved with the draft assessment order, the assessee has filed the objections in Formno-35A with the Dispute Resolution Panel (DRP). The DRP has dealt on the objections, submissions and remand report and issued directions to the A.O for deleting the addition u/sec69 of the Act of Rs.32,00,000/- on account of unexplained investment and similarly rejected the explanations on the unexplained credits u/sec69A of the Act of Rs.10,00,000/- and passed the directions u/s 144C(5) of the Act vide order dated 11.12.2024. Subsequently, the A.O. after the receipt of the orders of the DRP, has passed the final assessment order with addition u/sec69A of the Act and assessed the total income of Rs.10,00,000/-and passed the order u/s144 r.w.s 144C(13) of the Act dated 29-01-2025. Aggrieved by the order of the AO, the assessee has filed an appeal before Honble Tribunal.

4. We heard the Ld.DR submissions and perused the material on record. The assessee in the grounds of appeal challenged that the DRP has erred in overlooking the submissions, documents, bank statements and confirmation letters in respect of

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addition of unexplained credits u/sec69A of the Act and also the DRP has not provided adequate opportunity to the assessee considering the constraints of the assessee stationed on a ship. Whereas the evidences play a important role in decision making in the adjudicating proceedings. Accordingly, we considering the principles of natural justice, restore the disputed issue to the extent of addition sustained u/sec69A of the Act for limited purpose the file of the DRP to relook afresh on the addition u/sec69A of the act and pass the order and the assessee should be provided adequate opportunity of hearing and shall cooperate in submitting the information. And we allow the grounds of appeal for statistical purpose.

5. In the result, the appeal filed by the assessee is allowed for statistical purpose.

Order pronounced in the open court on 03.07.2025.

Sd/-

(GD PADMAHSHALI)
ACCOUNTANT MEMBER

Sd/-

(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Panaji Dated 03.07.2025

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / The CIT
4. आयकर आयुक्त(अपील) / Concerned CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT,
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

सत्यापित प्रति //True Copy//

1.

(Asst. Registrar)

ITAT, Panaji

		Date	<u>Initial</u>	
1.	Draft dictated on			PS
2.	Draft placed before author			PS
3.	Draft proposed & placed before the second member			PS
4.	Draft discussed/approved by Second Member.			PS
5.	Approved Draft comes to the Sr.PS/PS			PS
6.	Kept for pronouncement on			
7.	File sent to the Bench Clerk			
8.	Date on which file goes to the AR			
9.	Date on which file goes to the Head Clerk.			
10.	Date of dispatch of Order.			
11.	Dictation Pad is enclosed			