

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

श्री रवीश सूद, माननीय न्यायिक सदस्य एवं श्री एस बालाकृष्णन, माननीय लेखा सदस्य

**SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER
AND
SHRI S BALAKRISHNAN HON'BLE ACCOUNTANT MEMBER**

आयकर अपील सं./I.T.A. No.306/Viz/2025
(निर्धारण वर्ष/ Assessment Year: 2017-18)

Danda Nagendra Kumar, Guntur. ASKPD3945P	VS.	Income Tax Officer, Ward-2(3), Guntur.
(अपीलार्थी/ Appellant)		(प्रत्यर्थी/ Respondent)

करदाताका प्रतिनिधित्व/ Assessee Represented by	:	Shri GVN Hari, Advocate
राजस्वका प्रतिनिधित्व/ Department Represented by	:	Dr. Aparna Villuri, Sr. AR
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	10/07/2025
घोषणा की तारीख/ Date of Pronouncement	:	18/07/2025

ORDER

PER S. BALAKRISHNAN, AM:

This appeal filed by the assessee is against the order of the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi in DIN & Order No. ITBA/NFAC/S/250/2022-23/1044940976(1), dated 25/08/2022 arising out of the order passed U/s. 143(3) of the Income Tax Act, 1961 (in short "the Act"), dated 30/12/2019 for the AY 2017-18.

2. At the outset, it is noticed from the record that there is a delay of 928 days in filing the appeal before the Tribunal. In respect of belated filing of the appeal, the assessee filed an affidavit dated 08/07/2025 seeking condonation of delay wherein the assessee had explained the reasons that prevented him in filing the appeal within the prescribed time limit. For the sake of ready reference, the relevant paras from the said affidavit are extracted as under:

- “3.a) That initially, I met with a road accident and underwent surgery to my leg. Unfortunately, the first operation was not successful, and I had to undergo a second surgery. The subsequent period required long term rehabilitation and physiotherapy. Duwe to the prolonged recovery process and my bedridden condition, I was unable to take timely steps to file the appeal. The delay was entirely unintentional and beyond my control.*
- b) That I had a history of trauma in May 2022 and was under medical care since October 2022. Initially, I underwent a POP cast for a fracture of the medial malleolus in May 2022 elsewhere. After three months, there was non-union of the fracture, and upon consultation with another hospital, I was advised surgery. In October, 2022, a surgical procedure involving percutaneous K-wire fixation was performed, but this also resulted in nonunion. Consequently, the post-operative outcome was unsatisfactory, and a second surgery was performed in April, 2023.*
- c) Following the second operation, I required prolonged bed rest and continuous physiotherapy. The recovery was also and extended over a significant period, during which I remained largely bedridden and medically unfit. Currently, I am showing improvement and am undergoing ongoing physiotherapy to regain functional strength and mobility.*
- d) In support of the above facts, I am enclosing herewith a medical certificate issued by the treating physician.”*

3. On a perusal of the reasons adduced by the assessee in his affidavit (supra), we find that due to ill health of the assessee, the appeal of the assessee was filed beyond the prescribed time limit ie.,

with a delay of 928 days. In support of his explanation for belated filing of the appeal, before us the assessee has also produced Medical Certificate. Therefore, we find that there is a reasonable and sufficient cause that prevented the assessee in filing the appeal within the prescribed time limit. Hence, we condone the delay of 928 days in filing the appeal before the Tribunal and proceed to adjudicate the case on merits.

4. Briefly stated the facts of the case are that the assessee is an individual. The assessee filed his return of income for the AY 2017-18 on 24/10/2017 declaring a total income of Rs. 7,77,512/-. The case was selected for limited scrutiny through CASS for the reason "cash deposit during the year". Accordingly, notices U/s. 143(2) of the Act were issued on 14/08/2019 and served on the assessee. Thereafter, notice U/s. 142(1) of the Act was issued on 08/01/2019 & 07/02/2019. Further, notice U/s. 133(6) of the Act was also issued on 22/01/2019 to the State Bank of India, Sattenapalli, Union Bank, Amaravathi and called for the bank account statements maintained by the assessee. On a perusal of the assessee's response to the notice U/s. 142(1) of the Act as well as on verification of the bank statements furnished by the Banks, the Ld. AO noticed though the assessee stated that the sales are at Rs. 2,52,66,622/- the cash deposits made were Rs. 3,16,20,410/- in the bank accounts maintained by him. It

was stated by the assessee before the Ld. AO that the excess amount of Rs. 63,53,788/- represent debtors realization, gifts, advances from customers, unsecured loans and an amount of Rs. 14,95,800/- was withdrawn from bank and re-deposited the same. However, in the absence of any cogent evidence to substantiate the assessee's claim with regard to the source of cash deposits, the Ld. AO did not accept the submission of the assessee and made an addition of Rs. 63,53,788/- towards unexplained money under the head "income from other sources". Thus, the Ld. AO determined the total income of the assessee at Rs. 71,31,300/- and passed the order U/s. 143(3) of the Act dated 30/12/2019. Aggrieved by the order of the Ld. AO, the assessee preferred an appeal before the Ld. CIT(A).

5. On appeal, the Ld. CIT(A) passed ex-parte order by holding that even though the assessee has been given opportunities on four occasions, the assessee did not respond to any of the hearing notices and therefore, the Ld. CIT(A) dismissed the appeal of the assessee. Aggrieved by the order of the Ld. CIT (A), the assessee is in appeal before us by raising the following grounds of appeal:

1. *The order of the Ld. CIT(A) is contrary to the facts and also the law applicable to the facts of the case.*
2. *The Ld. CIT(A) is not justified in deciding the appeal ex-parte.*

3. *The Ld. CIT(A) is not justified in sustaining the addition of Rs. 63,53,788/- made by the AO U/s. 69A of the Act towards unexplained cash deposits in the bank account.*
4. *Any other ground that may be urged at the time of appeal hearing.”*

6. At the outset, the Learned Authorized Representative (in short “Ld. AR”) submitted that the Ld. CIT(A)-NFAC has passed ex-parte order and dismissed the appeal of the assessee. Therefore, the Ld. AR pleaded that the matter may be remitted back to the file of the Ld. CIT(A)-NFAC to decide the case on merits and the assessee the may be granted one more opportunity to furnish the relevant documents before the Ld. CIT(A)-NFAC.

7. On the other hand, Ld. Departmental Representative (in short “Ld. DR”) objected to the submissions of the Ld. AR and submitted that even though multiple opportunities are given to the assessee, there is no response from the assessee and therefore, the orders of the Ld. Revenue Authorities need not be disturbed.

8. We have heard the rival submissions and perused the orders of the Ld. Revenue Authorities as well as the material available on record. It is fact that the assessee has not appeared before the Ld. CIT(A)-NFAC inspite of multiple opportunities provided to the assessee. Before us, the only plea of the Ld. AR is that non-appearance is not intentional but due to ill health of the assessee and

hence, the matter may be remitted back to the file of the Ld. CIT(A)-NFAC and granting one more opportunity to the assessee for furnishing the documents in support of the assessee's claim before the Ld. CIT(A)-NFAC. Considering the peculiar circumstances and facts of the case, by following the principles of natural justice, we are of the considered opinion that one more opportunity may be provided to the assessee and therefore, we hereby remit the matter back to the file of the Ld. CIT(A)-NFAC. At the same breath, we also hereby caution the assessee to promptly co-operate before the Ld. CIT(A)-NFAC in the proceedings failing which the Ld. CIT(A)-NFAC shall be at liberty to pass appropriate order in accordance with law and on merits based on the materials on the record. It is ordered accordingly.

9. In the result, appeal filed by the assessee is allowed for statistical purposes as indicated herein above.

Order pronounced in the open court on 18th July, 2025.

Sd/- (रवीश सूद) (RAVISH SOOD) न्यायिकसदस्य/JUDICIAL MEMBER	Sd/- (एस बालाकृष्णन) (S BALAKRISHNAN) लेखासदस्य/ACCOUNTANT MEMBER
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Visakhapatnam, dated 18.07.2025.

OKK/sps

आदेशकीप्रतिलिपिअग्रेषित/ Copy of the order forwarded to:-

1.	निर्धारिती/The Assessee	:	Danda Nagendra Kumar, D.No. 1-61, Dharani Kota, Guntur, Andhra Pradesh-522020.
2.	राजस्व/ The Revenue	:	Income Tax Officer, Ward-2(3), O/o. ITO, Rajkamal Complex, Lakshmipuram, Guntur, Andhra Pradesh-522007.
3.	The Principal Commissioner of Income Tax,		
4.	विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, हैदराबाद.DR,ITAT, Visakhapatnam/		
5.	The Commissioner of Income Tax		
6.	गार्डफ़ाईल / Guard file		

आदेशानुसार / BY ORDER

Sr. Private Secretary
ITAT, Visakhapatnam.