

आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम

**IN THE INCOME TAX APPELLATE TRIBUNAL
VISAKHAPATNAM "DIVISION" BENCH, VISAKHAPATNAM**

**श्री दुव्वूरु आर एल रेड्डी, उपाध्यक्ष, एवं श्री एस बालाकृष्णन, लेखा सदस्य के समक्ष
BEFORE SHRI DUVVURU RL REDDY, HON'BLE VICE PRESIDENT**

&

SHRI S BALAKRISHNAN, HON'BLE ACCOUNTANT MEMBER

**आयकर अपीलसं./I.T.A.No.366/VIZ/2025
(निर्धारण वर्ष/ Assessment Year: 2016-17)**

Gurubilli Veera Raghavamma Papayachavad Veedhi Gollaprolu, Gollaprolu Mandal East Godavari District – 533445 Andhra Pradesh [PAN:BECPG1346G] (अपीलधर्ती/Appellant)	Vs.	Income Tax Officer-Ward – 1(1) Income Tax office Deepthi Towers, Main Road Kakinada-533001 Andhra Pradesh (प्रत्यर्ती/Respondent)
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करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri GVN Hari, Advocate
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr. Aparna Villuri, Sr. AR
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	14.08.2025
घोषणा की तारीख/Date of Pronouncement	:	28.08.2025

आदेश / O R D E R

PER SHRI S BALAKRISHNAN, ACCOUNTANT MEMBER:

1. This appeal is filed by the assessee against 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/250/2024-25/1074643605(1) dated 18.03.2025 for the

A.Y.2016-17 arising out of the order passed under section 271D of Income Tax Act, 1961 (in short 'Act') dated 01.04.2022.

2. Brief facts of the case are that, assessee is an individual, based on the assessment proceedings in the case of Sri Gurubilli Venkata Durga Naga prasad Rao for the A.Y. 2017-18, it is noticed that assessee has sold an immovable property vide document no. 4619/2015 (SRO, Pithapuram) 29.07.2015 for a consideration of Rs. 11,76,000/- and the consideration was received in cash. As acceptance of cash is in contravention to the provisions of section 269SS of the Act, Ld. Assessing Officer [hereinafter in short "Ld. AO"] issued notice dated 11.02.2021 requiring the assessee to explain why the penalty under section 271D of the Act could not be imposed. In response, assessee furnished her reply. Not convinced with the submissions and documents furnished by the assessee, Ld.Assessing Officer [hereinafter in short "Ld. AO"] completed the assessment by observing that assessee committed a default within the meaning of section 269SS and thereby imposed penalty under section 271D of the Act equal to the cash receipt i.e. Rs.11,76,000/-.

3. On being aggrieved by the order of the Ld. AO, assessee filed an appeal before Ld. CIT(A). Ld. CIT(A) upheld the order of the Ld. AO since assessee has not responded to any of the notice / opportunities provided to the assessee.

4. On being aggrieved by the order of the Ld. CIT(A), assessee is in appeal before us by raising 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 without discussing the merits of the case.

3. The learned Commissioner of Income Tax (Appeals) ought to have considered the submissions made by the appellant before the assessing officer and cancelled the penalty of Rs.11,76,000 levied u/s 271D of the Act.

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

5. At the outset, Ld. Authorised Representative [hereinafter “Ld.AR”] submitted that the Ld. CIT(A) has passed the order without providing sufficient opportunities to the assessee. He further pleaded that the assessee could not respond to the notices issued by the Ld. CIT(A). He therefore prayed for one final opportunity before Ld. CIT(A) to submit the relevant documents.

6. Per contra, Ld. Departmental Representative [hereinafter in short “Ld.DR”] strongly objected to the plea of the Ld.AR and vehemently argued that revenue has provided ample opportunities to the assessee as detailed in their respective orders. However, assessee has failed to comply with the notices issued by the Revenue Authorities. She therefore pleaded that the no further opportunity should be granted and prayed of upholding the order of the Ld.CIT(A).

7. We have heard rival contentions and perused the material available on record. It is an undisputed fact that the assessee has not fully complied with the notices and has also not responded to the various notices issued to the assessee as detailed in the order of the Ld. CIT(A). In the interest of natural justice, considering the plea of the Ld.AR and considering the huge demand, we are of the considered view that assessee may be provided one final opportunity to substantiate the case before Ld. CIT(A). Needless to say, that the assessee should cooperate with the remand proceedings without seeking unnecessary adjournments, failing which the Ld. CIT(A) is at liberty to decide the case based on the material available on record. Accordingly, the grounds raised by the assessee are statistically allowed.

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

Order pronounced in the open court on 28th August, 2025.

Sd/-
(दुव्वूरु आर एल रेड्डी)
(DUVVURU RL REDDY)
उपाध्यक्ष/ VICE PRESIDENT
Dated: 28.08.2025
Giridhar, Sr.PS

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

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to:-

1. निर्धारिती/ The Assessee : **Gurubilli Veera Raghavamma**
PapayyachavadVeedhi
Gollaprolu, Gollaprolu Mandal
East Godavari District – 533445
Andhra Pradesh
2. राजस्व/ The Revenue : **Income Tax Officer-Ward – 1(1)**
Income Tax office
Deepthi Towers, Main Road
Kakinada-533001
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