

**IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH : BANGALORE**

**BEFORE SHRI PRASHANT MAHARISHI, VICE – PRESIDENT
AND
SHRI SOUNDARARAJAN K., JUDICIAL MEMBER**

ITA No. 952/Bang/2025
Assessment Year : 2018-19

Shri Puvvada Veera Kumar, No. 421, Prop: M/s. K.K. Realtors, 3B Main, 3 rd Block, Kalyananagar, H.R.B.R. Layout, Bengaluru – 560 043. PAN: ACGPV8990A	Vs.	The Income Tax Officer, Ward – 2(1)(1), Bengaluru.
APPELLANT		RESPONDENT

Assessee by	:	Shri Pranay Sharma, Advocate
Revenue by	:	Shri Murali Mohan, CIT-DR

Date of Hearing	:	07-07-2025
Date of Pronouncement	:	25-09-2025

ORDER

PER SOUNDARARAJAN K., JUDICIAL MEMBER

This is an appeal filed by the assessee challenging the order of NFAC, Delhi dated 28/02/2025 in respect of the A.Y. 2018-19.

2. The brief facts of the case are that the assessee did not file the return of income under sec 139(1) of the Act as he had Nil income. The assessee is

in the business of Real Estate. There being no return of income, the order under section 148A(d) of the Act was passed on 23.03.2022 and the notice under sec 148 was issued on 25.03.2022. The assessee in response to the notice submitted his computation of income wherein the income was declared Nil after set off of brought forward losses. The assessing authority sought for clarification in respect of bank deposits in excess of the turnover declared and also sought for clarification in respect of the expenditure shown in the profit and loss account inclusive of purchases made during the year. The assessee filed a reply dated 06.02.2023 and furnished the explanation. The assessing authority has called the assessee to furnish the details for which show cause notice has been issued under sec 142(1) of the Act. Thereafter, the assessee received the show cause notice wherein various details have been called for and directed to be submitted before 24.02.2023. The assessee had sought for time to furnish the details and time prayed was for two weeks which expires on 04.03.2023. In the meanwhile the assessee prepared the details and proposed to be uploaded but the portal of the department did not accept. Accordingly the communication has been sent on issuing one more notice to enable the assessee to upload the details. Further, the assessee furnished the details by 04.03.2023 i.e., within the due date for extended time prayed for in Grievance cell of the portal. The assessing authority, however passed the order on 13.03.2023. In show cause notice under sec 142(1) of the Act the AO proposed to make addition of Rs.1,76,84,996 as unexplained money under sec 69A of the Act. He had also proposed the disallowance of Rs.53,69,179 being the expenditure shown in the profit and loss account by applying the provisions of Sec.40A(3) of the Act. The assessing authority, however, proceeded to make the above addition and concluded the assessment under sec 147 rws 144 rws 144B of the Act without giving reasonable opportunity to the assessee and considering the adjournment letter and details submitted on 04.03.2023 in the Grievance cell. As against the said order, the assessee filed an appeal before the Ld.CIT(A). The Ld.CIT(A) dismissed the appeal ex-parte on the ground that the assessee had not appeared for the three notices issued.

- 3.** As against the said order, the present appeal has been filed before this Tribunal.
- 4.** At the time of hearing, the Ld.AR submitted that the Ld.CIT(A) had failed to consider the written submissions and the various documents filed by the assessee pursuant to the notice dated 21/02/2025 for the hearing on 27/02/2025. The Ld.AR also submitted that the said details were filed through the portal vide acknowledgement number 886803501270225. Therefore the Ld.AR submitted that the ex-parte order of the Ld.CIT(A) is to be set aside.
- 5.** The Ld.DR relied on the orders of the lower authorities.
- 6.** We have heard the arguments of both sides and perused the materials available on record.
- 7.** We have perused the order of the Ld.CIT(A) in which the Ld.CIT(A) had observed that for the three hearing notices issued on 13/05/2024, 09/01/2025 and 21/02/2025, the assessee had not responded to the said notices and therefore decided the appeal ex-parte on the materials available on record.
- 8.** Contrary to the said finding, the assessee submitted that they had filed the written submissions along with the documents on 27/02/2025 vide acknowledgement number 886803501270225. Considering the said fact that the assessee had filed the written submissions as well as the documents on 27/02/2025, we are of the view that the Ld.CIT(A) had not considered the said submissions and the documents and passed the order ex-parte which in our opinion is not correct. We, therefore set aside the order of the Ld.CIT(A) and remitted this issue to the file of the Ld.CIT(A) for denovo consideration including the written submissions and the documents filed on 27/02/2025 vide acknowledgement number 886803501270225.

We also make it clear that before passing any order, the assessee should be given a reasonable opportunity of being heard.

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

Order pronounced in the open court on 25th September, 2025.

Sd/-
(PRASHANT MAHARISHI)
Vice – President

Sd/-
(SOUNDARARAJAN K.)
Judicial Member

Bangalore,
Dated, the 25th September, 2025.
/MS /

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|---------------|------------------------|
| 1. Appellant | 2. Respondent |
| 3. CIT | 4. DR, ITAT, Bangalore |
| 5. Guard file | 6. CIT(A) |

By order

Assistant Registrar,
ITAT, Bangalore