

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad ' SM-B- ' Bench, Hyderabad

Before Shri Vijay Pal Rao, Vice-President
A N D
Shri Madhusudan Sawdia, Accountant Member

आ.अपी.सं / **ITA No.970/Hyd/2025**
(निर्धारण वर्ष / Assessment Year: 2017-18)

Shri Ramesh Sanghubotla Mahbubnagar PAN:CQKPS7850J (Appellant)	Vs.	Income Tax Officer Ward 1 Mahbubnagar (Respondent)
निर्धारिती द्वारा / Assessee by:	Advocate K Prabhavati	
राजस्व द्वारा / Revenue by:	Shri Shankar Pandi P, Sr.AR	
सुनवाई की तारीख / Date of hearing:	11/09/2025	
घोषणा की तारीख / Pronouncement:	26/09/2025	

आदेश / ORDER

Per Vijay Pal Rao, Vice President

This appeal by the assessee is directed against the order dated 24/03/2025 of the learned CIT (A)-NFAC Delhi, for the A.Y.2017-18.

2. The assessee has raised the following grounds of appeal:

1. On the facts and in the circumstances of the case, the order passed by the learned Commissioner (Appeals)/NFAC is erroneous and unsustainable on facts and in law apart from being passed in violation of principles of natural justice.

2. The learned CIT(A) failed to appreciate that the Appellant is in the same line of business since ten years and this is a consistent practice of the Appellant to collect the amount in cash from its customers for providing recharge over the counter and deposit the same in the specified accounts. Further, a bare perusal of the statement of accounts would show the correlation between the same. As such the deposit of cash of Rs. 19,33,400/- is properly explained and cannot be taxed u/s. 69A of the Income Tax Act, 1961.

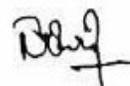
3. The learned CIT(A) erred in taxing an amount of Rs. 19,33,400/- u/s. 69A of the Act as the same has already been offered to tax by the Appellant in its Income Tax Return filed for the said assessment year. In view of the same, the same amounts to double taxation.

4. The authorities below failed to take into consideration the evidence filed by the Appellant in support of agricultural income. In view of the same, addition of Rs. 3,00,000/- under the head 'income from other sources' is unfair and unjustified.

For these and other grounds that may be urged at the time of hearing with the leave of the Hon'ble ITAT, it is prayed that the appeal may be allowed.

30.05.2025
Hyderabad

Appellant



3. The learned Counsel for the assessee has submitted that the learned CIT (A) has dismissed the appeal of the assessee for non-prosecution and has not decided the same on merits. He has referred to the details of notice issued by the learned CIT (A) as given in para 4.1 of the impugned order and submitted that after issuing the earlier notice of 12/04/2021 and 13/3/2022 both during the Covid-19 pandemic period, the last notice was issued by the learned CIT (A) on 13/03/2025 and then passed the

impugned order on 24/03/2025. He has pointed out that the last notice issued by the learned CIT (A) on 13/03/2025 was not received by the assessee and therefore, the assessee could not file any submission, reply, details/documents before the learned CIT (A). He has then submitted that the assessee was not given an appropriate opportunity of hearing before passing the impugned order. Thus, he has prayed that the impugned order may be set aside and the matter may be remanded to the record of the learned CIT (A) for fresh adjudication on merits after giving an appropriate opportunity of hearing to the assessee.

4. On the other hand, the learned DR has not seriously objected to the prayer of the assessee, if the matter is remanded to the record of the learned CIT (A) for fresh adjudication.

5. We have considered the rival submissions and carefully perused the impugned order of the learned CIT (A). The learned CIT (A) has given the details of the notices issued in para 4.1 as under:

Sr. No.	Date on which hearing notices were issued
1	12.04.2021
2	13.03.2022
3	13.03.2025

6. Thus, it is clear that the first two notices were issued on 12/04/2021, 13/03/2022 during the Covid-19 Pandemic period. The last notice was issued on 13/03/2025 and thereafter, the impugned order was passed on 24/03/2025. It is clear from

the details that there is a gap of 3 years in the earlier notice issued by the learned CIT (A) and the last notice issued on 13/03/2025. Thereafter, the learned CIT (A) has dismissed the appeal of the assessee for non-prosecution without deciding the same on merits. Accordingly, in the facts and circumstances of the case and in the interest of justice, we grant one more opportunity to the assessee to present its case before the learned CIT (A). Hence, the impugned order of the learned CIT (A) is set aside and the matter is remanded to the record of the learned CIT (A) for fresh adjudication of the appeal of the assessee on merits after giving an appropriate opportunity of hearing to the assessee.

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

Order pronounced in the Open Court on 26th September, 2025.

Sd/-

Sd/-

(MADHUSUDAN SAWDIA) ACCOUNTANT MEMBER	(VIJAY PAL RAO) VICE-PRESIDENT
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Hyderabad, dated 26th September, 2025.

Vinodan/sps

Copy to:

S.No	Addresses
1	Shri Ramesh Sanghubotla, 8-1-42 Chinna Agraharam Gadwal, Mahbubnagar 509125
2	Income Tax Officer Ward-1 DEO Office Road, Mahbubnagar 509001
3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order