

**आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम**

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

**(HYBRID HEARING)**

**श्री रवीश सूद , न्यायिक सदस्य एवं श्री एस बालाकृष्णन, लेखा सदस्य के समक्ष  
BEFORE SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER**

**&**

**SHRI S BALAKRISHNAN, HON'BLE ACCOUNTANT MEMBER**

**आयकर अपीलसं./I.T.A.No.6/VIZ/2025  
(निर्धारण वर्ष/ Assessment Year:2016-17)**

<b>Raghava Sastry Kalyani Renduchintala</b> Flat No. 14, Guylabi Thota Near Pampula Cheruvu Eluru – 534001 Andhra Pradesh  <b>[PAN: AVEPR5032Q]</b>	<b>Vs.</b>	<b>Income Tax Officer Ward-1</b> Income Tax Office R.R.Peta Main Road Powerpet, Eluru – 534002 Andhra Pradesh
---	------------	---

करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri M. Madhusudan, CA
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr. Aparna Villuri, Sr.AR
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	26.11.2025
घोषणा की तारीख/Date of Pronouncement	:	05.12.2025

**आदेश /O R D E R**

**PER SHRI S. BALAKRISHNAN, ACCOUNTANT MEMBER:**

1. This appeal is filed by the assessee against the order of Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [in short "Ld.CIT(A)"] vide DIN & Order No.

ITBA/NFAC/S/250/2024-25/1070077468(1) dated 04.11.2024 for the A.Y.2016-17 arising out of order passed under section 147 of Income Tax Act, 1961 (in short 'Act') dated 26.02.2022.

2. Brief facts of the case are that, as per the information available with the department it was found that the assessee has invested Rs.15,61,80,774/- as time deposits and received interest income of Rs.36,153/- in its bank account with Corporation bank now merged with Union Bank of India during the A.Y.2016-17. Assessee has not filed her return of income for the impugned assessment year. Ld. Assessing Officer [hereinafter in short "Ld. AO"] observed that there is income escaping assessment and considering it as a fit case for issuing a notice under section 148 of the Act passed order under section 148A(d) of the Act on 30.03.2023 and issued a notice under section 148 of the Act on 30.03.2023. Thereafter, statutory notices under section 142(1) of the Act were issued on various dates calling for information. The assessee failed to respond to any of the notices and Ld. AO finally issued a letter dated 23.08.2023 requiring the assessee to submit the details failing which order may be passed under section 144 of the Act. In response, assessee submitted her reply on 06.09.2023. Ld. AO also issued notices under section 133(6) of the Act to Union bank of India to furnish the bank account details maintained by the assessee during the F.Y. 2015-16. Thereafter the Ld. AO based on the information available with the department and the information furnished by the

bank, proceeded to frame the assessment by making an addition of Rs.2,04,14,610/- as unexplained money of the assessee. Further he also added Rs.39,957/- as income from other sources.

3. On being aggrieved by the additions made by the Assessing Officer, assessee filed an appeal before the Ld. CIT(A). The Ld. CIT(A) issued four notices as detailed in its order none of which was complied by the assessee. The Ld. CIT(A) therefore based on the material available on record confirmed the addition made by the Ld. AO while dismissing the appeal of the assessee.

4. On being 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), NFAC Delhi, passed u/s 250 dt. 04.11.2024 for the AY 2016-17 may be erroneous both in law and also on Facts of the Case.*

*2. The assessing officer should have appreciated the fact that all the transactions are made out of the earlier matured deposits and transfer of funds from one account to other and no fresh cash deposits are made by the appellant.*

*3. The AO should have appreciated that this amount of Rs. 2,04,14,610/- is out of Renewal of Fixed Deposits after Maturity and thereby this income does not belong to this year.*

*4. The assessee has limitations in obtaining information from banks which belonged to the FY 2015-16 relevant to the AY 2016-17 more particularly due to merger of Corporation bank with Union Bank of India, while the AC has statutory powers to gather data, the learned AO should have conducted a detailed inquiry despite having the power under Section 133(6) of the Income Tax Act, 1961, to obtain relevant information from banks and other third-party sources.*

5. *In this context it is humbly submitted that the assessee did not choose to file return of income as she was under the bona fide impression that such return is due to be filed only in the cases where there existed taxable income and the assessment has been made merely on the basis of initial information without adequate verification or investigation, which is contrary to the principles of natural justice.*

6. *The AO's reliance solely on partial data without a thorough verification process despite the assessee submitted that this amount was received from her son living abroad and also stated that she merely acted as an agent for the purchase of land, the AO has made an arbitrary assessment, which is unjust and against the spirit of the law.*

7. *In view of the submissions brought on record the impugned bank deposits to the aforesaid extent represented only amounts received from abroad from her son and also all these deposits are renewals of Fixed deposits which got matured during the year, which represented opening balances of the previous years, the impugned additions under section 69A are not warranted.*

8. *For these reasons and other reasons which may be advanced during the course of hearing of the appeal it is humbly requested that the aforesaid addition may kindly be ordered to be deleted.”*

5. The only issue is with respect to the addition of time deposits as unexplained money in the hands of the assessee amounting to Rs.2,04,14,610/-. On this issue, Ld. Authorised Representative [hereinafter “Ld.AR”] submitted that he has provided additional evidences in the form of reconciliation statements and the bank accounts statement substantiating the fact that the deposits were renewal of fixed deposits made during the earlier assessment years and not fresh deposits during the year. He therefore submitted that the issue may be remitted back to the file of the Ld. CIT(A) for fresh consideration of the evidences.

6. Per contra, Ld. Departmental Representative [hereinafter in short “Ld.DR”] strongly objected and argued that the assessee has not responded to the four notices issued by the Ld. CIT(A) and hence not interested in pursuing the appeal. Therefore, pleaded that the order of the Ld. CIT(A) be upheld.

7. We have heard both the sides and perused the material available on record. The assessee has submitted the reconciliation statement along with the copy of the bank statements before us substantiating the renewal of the fixed deposits made during the impugned assessment year. The main argument of the Ld.AR is that the renewal amounts credited to the bank accounts has been added back as fresh deposits thereby requiring the source for such fresh deposits. The contention of the Ld.AR is that the fixed deposits have been renewed on periodic intervals which is demonstrated in the reconciliation statement provided in the Paper Book Page No. 9. He also submitted that the corresponding entry in the bank statements has also been provided before the Tribunal. In these circumstances, considering the facts of the case, we are of the considered view that the matter may be remitted back to the file of the Ld. AO to verify the evidences produced before us and decide the matter in accordance with law. We also direct the assessee to cooperate with the remand proceedings by providing the relevant documents without seeking unnecessary adjournments failing which the Ld. AO is at liberty to pass appropriate orders as per the

material available on record. Thus, 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 05<sup>th</sup> December, 2025.

**Sd/-**  
**(रवीश सूद)**  
**(RAVISH SOOD)**  
**न्यायिक सदस्य/JUDICIAL MEMBER**

Dated: 05.12.2025  
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 : **Raghava Sastry Kalyani Renduchintala**  
Flat No. 14, Guylabi Thota  
Near Pampula Cheruvu  
Eluru – 534001  
Andhra Pradesh
2. राजस्व/ The Revenue : **Income Tax Officer**  
**Ward-1**  
Income Tax Office  
R.R.Peta Main Road  
Powerpet, Eluru – 534002  
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