

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

Before Shri Manjunatha G., Accountant Member
and
Shri Ravish Sood, Judicial Member

आ.अपी.सं /**ITA No.1148/Hyd/2025**
(निर्धारण वर्ष/Assessment Year:2016-17)

Abraham Nathaniel Addanki, Hyderabad. PAN: ADQPA7546N	Vs.	Income Tax Officer, Ward-14(1), Hyderabad.
(Appellant)		(Respondent)
निर्धारिती द्वारा/Assessee by:		Smt. S. Sandhya, Advocate
राजस्व द्वारा/Revenue by:		Shri K. Vinoth Kannan, Sr. AR
सुनवाई की तारीख/Date of Hearing:		07/01/2026
घोषणा की तारीख/Date of Pronouncement:		21/01/2026

आदेश / ORDER

PER. RAVISH SOOD, J.M:

The present appeal filed by the assessee is directed against the order passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, dated 20/03/2025, which in turn arises from the order passed by the Assessing Officer (for short, "AO") under section 147 r.w.s 144 r.w.s 144B of the Income Tax Act, 1961 (for short, "the Act"), dated 30/03/2022 for the Assessment Year (AY) 2016-17. The

assessee has assailed the impugned order of the CIT(A) on the following grounds of appeal:

“1. In the facts & circumstances of the case, the Learned CIT(A) erred in law and facts by dismissing the appeal ex-parte and confirming the addition of Rs. 1,62,50,500 on account of alleged unexplained cash deposits, and Rs. 58,298 on account of alleged undisclosed interest credit in said Joint Bank account.

2. The CIT(A) as well as AO ought to have appreciated in right perspective and accepted the detailed explanation of impugned cash deposits by the aged assessee.

3. The CIT(A) passed the ex-parte order in highly undue haste without giving proper and sufficient opportunity thereby violating the Principle of natural justice.

4. The CIT(A) ex-parte order is bad in law as the notices send on e-mail giving only 5 days' time were never seen by the 81 years aged appellant due to his prolonged severe disease and thus, ex-parte appeal order is bad in law and invalid.

5. The CIT(A) as well as AO ought to have restricted the impugned addition of Rs. 1,62,50,500 upto 50% in view of that the bank account was in joint names and owning funds equally.

6. In the facts & circumstances, the notice u/s.148 is invalid as there was no cogent and sufficient reason to believe that there was escapement of income and in that garb fresh assessment was made.

7. The re-assessment order is bad in law as it violated the law and procedures prescribed U/s. 144B, 147, 147 and 149 of the Act.

8. The CIT(A) ought to have held that the notice issued u/s. 148 on 01-04-2021 is invalid having issued after 4 years from the end of relevant assessment year.

9. The CIT(A) as well as AO ought to have accepted the extract of books of accounts submitted showing funds flow and impugned deposits.

10. The CIT(A) as well as the AO ought to have restricted addition of 50% of the interest credited in the Joint account.

11. The appellant craves leave to add, alter, amend, or withdraw any of the above grounds of appeal at or before the time of hearing.

12. In view of above grounds and other grounds to be submitted at the time of hearing, the appellant prays for the deletion of total addition of Rs. 1,63,08,798, setting aside of the CIT(A) order or pass any other order as the Hon'ble Tribunal may deem fit.”

2. Succinctly stated, the assessee had filed his original return of income for AY 2016-17 on 23/02/2017, declaring an income of Rs.4,91,710/- and agricultural income of Rs.72,500/-. Subsequently, the case was selected for scrutiny assessment under CASS to verify “exempt income”.

3. Original assessment was framed by the AO vide his order passed under section 143(3) of the Act, dated 27/11/2018, wherein the returned income of the assessee was accepted as such.

4. Thereafter, the AO based on information received from ITO (I&CI)-4, Hyderabad that the assessee had made cash deposits of Rs.1,62,50,500/- in his bank account No.403151634 maintained with Indian Bank, Kakateeya Nagar, i.e., a bank account which was not disclosed by him in his return of income, initiated proceedings under section 147 of the Act. Notice under section 148 of the Act, dated 31/03/2021 was duly served upon the assessee. In compliance, the assessee filed his return of income on 31/05/2021, which, however, was not e-verified by him and resultantly was considered as invalid.

5. Thereafter, the AO issued notice under section 142(1) of the Act, calling for certain details from the assessee. Ostensibly, the assessee despite specifically queried about the source of the cash deposits, made during the subject year in his two bank accounts, viz., (i) Account No.403071702 held along with his wife and son with Indian Bank, Kaktiya Nagar; and (ii) joint Account No.403151634 held along with his son with Indian Bank, Kakatiya Nagar failed to come forth with the proper explanation along with the supporting evidence.

6. On a perusal of the record, we find that the AO observed that the assessee during the subject year had made cash deposits of Rs.1,62,50,500/- in his joint Account No. 403151634 held with his son in Indian Bank, Kakatiya Nagar, which was not disclosed by him in his original assessment proceedings. On further verification, the AO observed that the aforesaid cash deposit of Rs.1,62,50,500/- was made in the aforementioned bank account in two tranches, viz., (i) on 02/01/2016: Rs.1,52,50,000/-; and (ii) on 06/04/2015: Rs.10,00,000/-. As the explanation of the assessee regarding the source of the aforesaid cash deposits did not find favour with the AO, therefore, he made an addition of the same by treating it as having been sourced out of the assessee's unexplained money under section 69A of the Act.

7. Also, it transpires on a perusal of the record that the AO had made an addition of the interest income of Rs. 58,298/- that was earned by the assessee during the subject year on his aforementioned undisclosed bank account No. 403151634 to the returned income of the assessee.

8. Accordingly, the AO vide his order under section 147 r.w.s 144 r.w.s 144B of the Act, dated 30/03/2022 after making the aforesaid additions, determined the income of the assessee at Rs.1,68,00,508/- along with agricultural income of Rs.72,500/-.

9. Aggrieved, the assessee carried the matter in appeal before the CIT(A). As the assessee, despite having been afforded 4 opportunities, had failed to participate in the proceedings before the CIT(A), therefore, the latter holding a conviction that the assessee was not interested in prosecuting the appeal, dismissed the same on the said count itself.

10. The assessee being aggrieved with the order of the CIT(A) has carried the matter in appeal before us.

11. Smt. S. Sandhya, Advocate, the Learned Authorized Representative (for short, "Ld. AR") for the assessee, at the threshold of hearing of the appeal submitted that the same involved a delay of 41 days. Elaborating on the reasons leading to the delay in filing of the

appeal, the Ld. AR submitted that the same had crept in for the reason that the assessee, who is octogenarian, aged more than 80 years, was suffering with acute diabetes and Hypertension, had suffered the unfortunate death of his married daughter, who had committed suicide, leaving behind three children, during the relevant point of time was taken unwell and had remained admitted with Renova Century Hospital, Hyderabad. The Ld. AR to buttress her aforesaid submission had drawn our attention to the application filed by the assessee applicant seeking condonation of the delay along with an affidavit, dated 08/09/2025 and copies of the medical certificates/prescriptions. The Ld. AR submitted that as the delay in filing of the present appeal was on account of unavoidable reasons, therefore, the same in all fairness and in the interest of justice be condoned.

12. Per contra, Shri K. Vinoth Kanna, Learned Senior Departmental Representative (for short, "Ld. Sr-DR") objected to the seeking of condonation of delay in filing of the present appeal by the assessee.

13. We have thoughtfully considered the reasons leading to the delay in filing of the present appeal by the assessee and are of firm conviction that as the same had crept in because of medical ailments, which the

assessee was suffering during the relevant point of time, therefore, the same in all fairness merits to be condoned.

14. Coming to the merits of the case, we find that the Ld. AR had vehemently assailed the validity of the jurisdiction that was assumed by the AO for framing the assessment vide the order passed under section 147 r.w.s 144 r.w.s 144B of the Act, dated 30/03/2022. Elaborating on her contention, the Ld. AR submitted that as both the order under section 148A(d), dated 29/03/2023 and notice under section 148 of the Act, dated 29/03/2023 had been issued by the ITO, Ward-14(1), Hyderabad, i.e., the Jurisdictional Assessing Officer (JAO), therefore, the assessment on the said count cannot be sustained and is liable to be struck down.

15. Apart from that, the Ld. AR submitted that thought the AO had framed the assessment vide his order under section 147 r.w.s 144 r.w.s 144B of the Act, dated 30/03/2022, but thereafter, the assessee had been visited with another set of assessment order passed by the AO under section 147 r.w.s 144 r.w.s 144B of the Act, dated 17/02/2024, wherein the latter order is based on the order passed under section 148A(d), dated 29/03/2023 and notice under section 148 of the Act, dated 29/03/2023. Elaborating further, the Ld. AR submitted that the assessee has e-filed an appeal against the second set of assessment

order passed under section 147 r.w.s 144 r.w.s 144B of the Act, dated 17/02/2024 before the CIT(A) on 06/01/2026, which is pending for adjudication as on date.

16. We have thoughtfully considered the facts involved in the present case. Ostensibly, the CIT(A) vide his impugned order, dated 20/03/2025 has dismissed the appeal filed by the assessee for the stand alone reason that the assessee had failed to prosecute the appeal. We find that the CIT(A) had not addressed the specific grounds of appeal based on which the impugned order of assessment was assailed by the assessee before him, i.e., both on merits and the validity of the jurisdiction that was assumed by the AO for reopening of the concluded assessment.

17. We are unable to persuade ourselves to concur with the manner in which the CIT(A) had disposed of the appeal based on a non-speaking order, i.e., without adverting to the specific grounds based on which the impugned order of assessment was assailed before him. Although, we principally concur with the CIT(A) that in case the assessee appellant fails to participate in the course of the appellate proceedings, then, the said proceedings cannot be stalled and the appeal has to be proceeded with and disposed of, but are of firm conviction that such disposal of the appeal is mandatorily required to be based on a speaking order after

taking due cognizance of the specific grounds based on which the impugned order of assessment had been assailed before the said first appellate authority.

18. Be that as it may, we are of the view that the matter in all fairness and in the interest of justice requires to be restored to the file of the CIT(A) with a direction to dispose of the appeal based on a speaking order. Also, we may herein observe that as the Ld. AR has brought to our notice that the AO had passed another order under section 147 r.w.s 144 r.w.s 144B of the Act, dated 17/02/2024 against which an appeal has been e-filed by the assessee, vide acknowledgement No.199820900060126, dated 06/01/2026, which is as on date pending before the CIT(A) for disposal, therefore, the CIT(A) is directed to take cognizance of the aforesaid factual position while disposing of the present appeal that has been restored to his file. Needless to say, the CIT(A) shall in the course of the set aside proceedings afford a reasonable opportunity of being heard to the assessee.

19. Before parting, we may herein clarify that as we have set aside the present appeal to the file of the CIT(A) for fresh adjudication, therefore, we refrain from commenting upon the specific issues based on which the impugned assessment order has been assailed by the assessee before us.

20. Resultantly, the appeal filed by the assessee is allowed for statistical purposes in terms of our aforesaid observations.

Order pronounced in the open court on 21st January, 2026.

Sd/- (MANJUNATHA G.) ACCOUNTANT MEMBER	Sd/- (RAVISH SOOD) JUDICIAL MEMBER
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Hyderabad,

Dated 21st January, 2026.

OKK / SPS

Copy to:

S.No	Addresses
1	Abraham Nathaniel Addanki, 9-4-84/141, Kakatiya Nagar, Hyderabad, Telangana-500028.
2	Income Tax Officer, Ward-14(1), Income Tax Towers, Professor Elyas Burney Rd, AC Guards, Masab Tank, Hyderabad, Telangana-500004.
3	The Pr.CIT, Hyderabad
4	The DR, ITAT Hyderabad Benches
5	Guard File

By Order

Sr. Private Secretary,
ITAT, Hyderabad.