

5) The learned Commissioner of Income Tax (Appeals) erred in holding that the provisions of Sec.69A are applicable to the amount of Rs.31,76,376/- and that the same is required to be added to the income admitted.

6) Any other ground or grounds that may be urged at the time of hearing.”

3. Brief facts of the case are that the assessee, an individual, carrying on tent house business, filed his return of income manually for the AY 2014-15 on 16/07/2014 admitting an income of Rs. 2,69,700/-. Subsequently, the case was selected for scrutiny and notice u/s 143(2) of the IT Act was issued to the assessee. Thereafter, assessment was completed U/s. 143(3) of the Act vide order dated 29/12/2016 wherein the Ld. AO disallowed the claim U/s.80C of the Act for Rs. 75,840/- and further made addition U/s. 68 towards unexplained cash deposited in the SB Account amounting to Rs. 25,33,624/-.

4. At the outset, the Ld. AR submitted that the assessee was not able to produce sufficient evidence to justify his claim which resulted in the addition and was further confirmed by the Ld. CIT (A). the Ld. AR further pleaded that one more opportunity may be provided before the Ld. AO in order to furnish the evidence gathered by the assessee to justify his case. It was further submitted that the assessee is in acute financial crunch. The Ld. DR on the other hand vehemently argued by stating that number of opportunities were provided by the Ld. AO as well as the Ld. CIT (A), however, the assessee failed to satisfy the queries raised by the Ld. Revenue Authorities. It was therefore requested that the appeal of the assessee may be dismissed.

5. I have heard the rival submissions and carefully perused the materials on record. It is apparent from the orders of the Ld. Revenue Authorities that proper opportunities were provided to the assessee. In this situation, the prayer of the Ld. AR does not have much merits. However, considering the financial strain of the assessee and the nature of additions made, I hereby remit the matter back to the file of Ld. AO for de-novo consideration. I also hereby direct the assessee and his AR to promptly co-operate before the Ld. Revenue Authorities failing which the Ld. Revenue Authorities shall be at liberty to pass appropriate orders in accordance with law and merits based on the materials on record.

6. In the result, appeal of the assessee is allowed for statistical purposes as indicated herein above.

Pronounced in the open court on 05th March, 2020

Sd/-
(A.MOHAN ALANKAMONY)
ACCOUNTANT MEMBER

Hyderabad, dated 05th March, 2020.

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2. *ITO, Ward – 15(4), Hyderabad.*
3. *CIT(A) - 7, Hyderabad.*

4. *Pr. CIT – 7, Hyderabad.*
5. *The DR, ITAT, Hyderabad*
6. *Guard File*