

**IN THE INCOME TAX APPELLATE TRIBUNAL  
VISAKHAPATNAM BENCH, VISAKHAPATNAM**

**BEFORE SHRI N.K. CHOUDHRY, HON'BLE JUDICIAL MEMBER &  
SHRI D.S. SUNDER SINGH, HON'BLE ACCOUNTANT MEMBER**

**I.T.A. No. 62/VIZ/2020  
(Asst. Year :2017-18)**

Pulugu Babu Rajendra Vs. Income Tax Officer  
Prasad, D.No. 16-10-71, Ward-1(1), Guntur.  
Old Guntur, Guntur.

PAN No. ALTPP 1590 J (Appellant) (Respondent)

Assessee by : Shri G.V.N. Hari, Advocate.  
Department by : Shri N.Gopi Krishna, Sr.DR

Date of hearing : 21/04/2021.  
Date of pronouncement : 29/04/2021.

**ORDER**

**PER D.S. SUNDER SINGH, ACCOUNTANT MEMBER**

This appeal has been preferred by the assessee against the order dated 10/12/2019 passed by the Ld.Commissioner of Income Tax (Appeals)-1 [for short, "ld.CIT(A)"],Guntur u/sec. 250(6) of the Income Tax Act, 1961 (hereinafter referred to as "Act") for the A.Y. 2017-18.

**2.** All the grounds of appeal are related to the addition of Rs.16,43,000/- made by the Assessing Officer (in short "AO")

u/sec. 69A of the Act. The AO made the addition for non-response to the notices and the show-cause notice issued to the assessee.

**3.** Against which, the assessee went on appeal before the Id.CIT(A) and submitted that during the said period, the assessee was under tremendous pressure due to ill-health of his brother and his wife. He also stated that subsequently his brother was expired, therefore he could not appear before the AO for the assessment proceedings. The Id.CIT(A) dismissed the appeal of the assessee, since, the assessee failed to furnish any evidence to show that there was sufficient reason for non-response from the assessee during the period of March, 2018 to May, 2019, during the period of which the assessment proceedings were taken up by the AO.

**4.** Against the order of the Id.CIT(A) the assessee filed appeal before this Tribunal. The assessee also filed a petition for admission of additional evidence stating that tax matters were entrusted to one Sri Ramaraju Gopala Krishna Murthy, Tax Consultant and he was under the impression that Authorised Representative of the assessee was attending to the assessment proceedings. Further he stated that due to ill-health of his wife and his brother, the assessee could not monitor the case, therefore submitted that the assessee could neither respond to the notices nor furnished the additional evidence before the authorities below and hence, requested to admit the additional evidence and remand the matter back to the file of the AO to do the assessment afresh after on merits after considering the additional evidence.

**5.** On the other hand, Id.DR objected for admission of additional evidence.

**6.** We have heard both the parties and perused the material placed on record.

**7.** In the instant case, the assessee stated that the tax matters were entrusted to the Authorised Representative of the assessee who did not appear before the AO in response to the notices issued and also failed furnish the necessary information. The assessee has given the reason of ill-health of his wife and his brother for not ascertaining the development of the tax issues from the Ld.A.R of the assessee. Though there was no evidence for sufficient cause for non response from March, 2018 to May, 2019, nevertheless the reason given by the assessee appears to be convincing for non response. It is also observed from the order of the Ld.AO that the show-cause notice was issued in the month of May, 2019 and the assessment order was passed in October, 2019 and there was a time gap of five months between the show cause notice and the date of assessment and hence, the AO could have made the enquiries by deputing the Inspector to ascertain the facts and given one more opportunity to the assessee during the interim period. At the same time, we, also find that the assessee did not act responsibly before the AO as well as the Ld,CIT(A) which cannot be appreciated. In the instant case though the Ld.A.R appeared before the LdCIT(A), the Ld. CIT(A) dismissed the appeal without considering merits on the reason of failure of the assessee to explain the reasons for not responding to the notices issued by the Ld.AO at the assessment stage. The Ld.CIT(A) ought to have considered the merits of the case as

well, to render the justice. Since the Ld.CIT(A) as well as the AO did not consider the merits of the case, we are of the view that the additional evidence furnished by the assessee needs to be admitted and decide the case on merits. Hence, we set aside the orders of the lower authorities and remit the matter back to the file of the AO to redo the assessment, denovo, after consideration of additional evidence. Needless to say that the AO should afford reasonable opportunity to the assessee and the assessee to cooperate with the AO in completion of the assessment proceeding. Thus, this appeal filed by the assessee is allowed for statistical purpose.

**8.** In the result, appeal filed by the assessee stands allowed for statistical purpose.

Order Pronounced in open Court on 29<sup>th</sup> this day of April, 2021.

Sd/-  
**(N.K. CHOUDHRY)**  
**Judicial Member**

sd/-  
**(D.S. SUNDER SINGH)**  
**Accountant Member**

**Dated: 29<sup>th</sup> April, 2021.**

**vr/-**

*Copy to:*

1. *The Assessee -Pulugu Babu Rajendra Prasad, D.No. 16-10-71, Old Guntur, Guntur.*
2. *The Revenue -Income Tax Officer, Ward-1(1), Guntur.*
3. *The Pr.CIT, Guntur.*
4. *The CIT(A)-1, Guntur.*
5. *The D.R., Visakhapatnam.*
6. *Guard file.*

By order

(VUKKEM RAMBABU)  
Sr. Private Secretary,  
ITAT, Visakhapatnam.