

IN THE INCOME TAX APPELLATE TRIBUNAL “SMC” BENCH, RANCHI
VIRTUAL HEARING AT KOLKATA

**Before Shri Sonjoy Sarma, Judicial Member
and Shri Ratnesh Nandan Sahay, Accountant Member**

I.T.A. No.496/Ran/2024
Assessment Year: 2010-11

Khurshid Alam.....Appellant
Jhirkey, Kathara, Bokaro,
Jharkhand-829116.
[PAN: AHXPA0635P]

vs.

ITO, Ward-2(7), Hazaribagh.....Respondent

Appearances by:

Shri M. K. Choudhary, Advocate, appeared on behalf of the appellant.
Shri Khubchand T. Pandya, Sr. DR, appeared on behalf of the Respondent.

Date of concluding the hearing : June 19, 2025
Date of pronouncing the order : June 23, 2025

ORDER

Per Sonjoy Sarma, Judicial Member:

The present appeal has been preferred by the assessee against the order dated 29.04.2023 of the National Faceless Appeal Centre [hereinafter referred to as ‘CIT(A)’] passed u/s 250 of the Income Tax Act (hereinafter referred to as the ‘Act’).

2. At the outset, the Registry has informed that there is a delay of 540 days in filing the present appeal. The assessee filed an application for condonation of delay stating reasons for such delay. After considering the application, we find reasonable cause and the delay was not intentional. We, therefore, condone the delay in filing the appeal and adjudicate the appeal on merits of the case.

3. Brief facts of the case are that the assessee is an individual and derived income from salary. The assessee filed his return of income for the assessment year 2010-11 by declaring total income of Rs.2,38,770/-. The case of the assessee was selected for scrutiny through CASS followed

by notice issued u/s 143(2) and 142(1) of the Act directing the assessee to submit details of bank account maintained with SBI, Kathara and purchase invoice of motor bike and car and other relevant details and the assessee complied and submitted all the relevant details. During the assessment proceedings, the Assessing Officer found that during the F.Y 2009-10 relevant to assessment year under consideration, the assessee had made deposits amounting to Rs.15,01,000/- in SBI, Kathara in addition to salary income. Due to absence of any satisfactory reply on the issue of source of huge cash deposits, the Assessing Officer added Rs.15,01,000/- to the assessee's total income as the assessee failed to substantiate the same.

4. Aggrieved by the above order, the assessee went in appeal before the ld. CIT(A) but the ld. CIT(A) dismissed the appeal of the assessee due to non-compliance as the assessee failed to appear before the appellate authority.

5. Dissatisfied with the above order, the assessee approached before this Tribunal raising various grounds. However, the primary contention of the assessee is that the order passed by the ld. CIT(A) was ex parte order as the assessee did not receive any notice. The ld. AR argued that the notices were issued to an outdated email address i.e. that was no longer in use which prevented the assessee from complying with the proceedings. The assessee pleaded before the Tribunal for giving another opportunity to submit his submissions before the authorities below.

6. On the other hand, the ld. DR did not raise any significant objection but emphasised that the assessee should fully comply with the notices issued by the authorities below in future proceedings if one more opportunity is given to the assessee.

7. We, after hearing both the parties and perusing the materials available on record, find that the order of the ld. CIT(A) is ex parte order

without ensuring proper service of notice thereby denying the adequate opportunity to present the case by the assessee. We also find that the notices sent by the ld. CIT(A) to an outdated email address which resulted inability of the assessee to comply with the proceedings, is plausible. We note that the ld. CIT(A) dismissed the appeal of the assessee without going into merits and decided only on the ground of non-compliance on the part of the assessee. We, therefore, find that the dismissal of appeal solely on the procedural ground without examining the merits of the case which is essential u/s 250(6) of the Act, is not justified. In the interest of justice and fair play, we, therefore, deem it fit to provide the assessee one more opportunity to substantiate his case to ensure just and fair assessment. We, therefore, remand back the issue to the file of the ld. CIT(A) with a direction to re-examine the case on merits after giving reasonable opportunity of being heard to the assessee to represent his case. We also direct the assessee to diligently comply with the notices issued and will duly participate in the remand proceedings to avoid any further delay.

8. In terms of the above, the appeal of the assessee is allowed for statistical purposes.

Kolkata, the 23rd June, 2025.

Sd/-
[Ratnesh Nandan Sahay]
Accountant Member

Sd/-
[Sonjoy Sarma]
Judicial Member

Dated: 23.06.2025.

RS

Copy of the order forwarded to:

1. Appellant
2. Respondent
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches