

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

**(HYBRID COURT)**

**BEFORE SH. MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER  
AND SH. UDAYAN DASGUPTA, JUDICIAL MEMBER**

**I.T.A. No. 561/Asr/2024**  
Assessment Year: 2017-18

Mohd. Rafi, Doda,  
Jammu & Kashmir  
182203

Vs.

Income Tax Officer,  
Ward, Udhampur

[PAN: CBYPR 6303N]  
**(Appellant)**

**(Respondent)**

Appellant by : Sh. P. N. Arora, Adv.  
Respondent by : Sh. Charan Dass, Sr. D. R.  
Date of Hearing : 16.07.2025  
Date of Pronouncement : 07.08.2025

**ORDER**

**Per Udayan Dasgupta, J.M.:**

This appeal is filed by the assessee against the order of the Id. CIT(A) NFAC, Delhi dated 12.08.2024 passed u/s 250 of the Income Tax Act, 1961 which has emanated from the order of the AO, Udhampur passed u/s 144 of the Act, dated 16.12.2019.

2. Grounds of appeal taken by the assessee in Form No. 36 are as follows:

*“1. The Ld. CIT (A) failed to consider the request for adjournment raised by assessee on 14-07-2024 and passed the order without giving any final opportunity of being heard.*

*2. The Ld. CIT (A) erred in treating Rs. 1827500/- as unexplained money u/s 69A as the said amount was received by the assessee on account of debtor recovery and sales in the normal course of business.”*

3. Brief facts emerging from record are that the assessee has deposited cash in various bank accounts during the demonetization period amounting to *Rs.18.27 lacs* maintained with *J & K Bank* and no return has been filed. In absence of any return on record and in absence of any compliance to notice issued u/s 142(1) of the Act the assessment was completed ex-parte on a total income of *Rs.24.82 lacs* (which includes an amount of *Rs.18.27 lacs* as *SBN deposits* and amount of *Rs.6.48 lacs* as *profits from business at percentage of the balance deposits*).

4. In course of appellate proceedings, the appeal has been dismissed by the Id. first appellate authority without any adjudication on the grounds contained in the memorandum of appeal on merits. It is seen from the appellate order that the notices of hearing issued to the appellant on four separate dates and it is also seen that the appellant has furnished documents along with the written submissions on 09.06.2024 and 14.07.2024 (*para 1.3 of the appellate order*). Subsequently, it is also noted by us

that the appeal has been dismissed *in limine* without any adjudication on the submissions made by the assessee by observing that the appellant did not respond both observations being contradictory.

5. As such, we remand the matter back to the files of the Id. CIT(A) for adjudicating on the grounds of appeal contained in Form No. 35 on merits after allowing a proper and reasonable opportunity of being heard to the assessee. The assessee is also directed to file all documentary evidences and submissions to satisfactorily explain the source of cash deposits in bank including the deposits during demonetization period and to fully cooperate in appellate proceedings.

6. In the result, the appeal filed by the assessee is allowed for statistical purpose.

Order pronounced in accordance with Rule 34(4) of the Income Tax (Appellate Tribunal) Rules, 1963 as on 07.08.2025.

**Sd/-**  
**(Manoj Kumar Aggarwal)**  
**Accountant Member**

**Sd/-**  
**(Udayan Dasgupta)**  
**Judicial Member**

*\*GP/Sr.PS\**

Copy of the order forwarded to:

- (1) The Appellant:
- (2) The Respondent:
- (3) The CIT concerned
- (4) The Sr. DR, I.T.A.T

True Copy  
By Order