

**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. 31/Asr/2024
Assessment Year: 2017-18

Purab Infrastructure Projects Ltd.,
1775A, Dharamkunj, Khu Bombay
Wala, Amritsar, Punjab 143001

Vs.

Income Tax Officer,
Ward 1(2), Amritsar

[PAN: AADCP 9329F]

(Appellant)

(Respondent)

Appellant by	:	None (written submission)
Respondent by	:	Sh. Charan Dass, Sr. D. R.
Date of Hearing	:	23.07.2025
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 29.11.2023 passed u/s 250 of the Income Tax Act, 1961 which has emanated from the order of the AO, Ward 1(2), Amritsar passed u/s 144 of the Act, dated 30.12.2019.

2. There is no appearance by the assessee or by any AR on behalf of the assessee but the director of the appellant company has filed a written submission requesting for disposal of appeal on the basis of the synopsis and grounds contained in form 36.
3. Though there are five grounds of appeal, the first and the second grounds, raises objection to the passing of the appellate order by the Ld. first appellate authority without physical service of notice of hearing and alleged that proper and reasonable opportunity of hearing has not been provided to the assessee company.
4. Brief facts emerging from records, are that the appellant company has not submitted any return of income for the year in response to notice u/s 142(1) issued by the AO calling for return. It is observed by the AO that the assessee has deposited cash in its bank account with OBC A/c No. xxxx00599, amounting to *Rs. 50.03 lakhs* during demonetization period (*first para of the assessment order*) and a total deposit of *Rs. 85.17 lakhs* during the FY 2016-17.
5. There has been no response to repeated notices issued during assessment proceedings even though written requests for adjournments has been sought on *10th November, 2019*, and *granted by the AO*, again resulting in non compliance, proves the fact of actual service of notice of hearing on the assessee.

6. The assessment was completed on assessed income of Rs. 85.17 lakhs which was carried in appeal and the Ld First appellate authority dismissed the appeal for non compliance observing as follows:

“4.7 Without prejudice to the above, even on merits, the appellant has no case. During the course of the assessment proceedings, the AO observed that the appellant had made cash deposits amounting to Rs. 85,17,874/- in its bank accounts during the year under consideration and the appellant failed to produce any cogent explanation regarding the sources of the said deposits, moreover, it also failed to file its return of income either u/s 139(1) or u/s 148 of the Act despite various statutory notices were issued on the appellant on 28/05/2019, 17/07/2019, 22/08/2019, 05/09/2019, 08/11/2019. Even during the appeal proceedings, the appellant could not produce any documentary evidences in support of her claims, neither did it make any response despite issuing various statutory notices as mentioned in para 4 above. As such, I find no reason to alter the action of the AO in making addition of Rs. 85,17,874/- on account of unexplained money u/s 69A of the Act. In view of this, the action of the AO is sustained and the ground No.s 1 to 6 of the appeal raised by the appellant are accordingly dismissed.

5. *Ground no. 7 is related to the initiation of penalty proceedings u/s 271F, 272A(1)(d) and 271AAC of the Act are consequential in nature, hence dismissed.*

6. *In ground no. 8, the appellant reserves her rights to leave, amend, alter, delete any grounds of appeal, however, no such option has been exercised, therefore, this ground is treated as dismissed.*

7. *In the result, the appeal is treated as dismissed.”*

7. It is also observed that notices of hearing has been issued on four different occasions from the office of the Ld first appellate authority and written adjournment has been sought by the assessee in response to notice dated 19th July, 2023, and

adjournment has been allowed *re-fixing the case on 17th November, 2023, (allowing two months time)* but even then also there has not been any compliance whatsoever, from the assessee, which has led to dismissal of the appeal.

8. This is proof that notice of hearing has been actually received by the assessee and the assessee was fully aware of the ongoing appeal proceedings, and the contention of the assessee before the tribunal, that opportunity of hearing has not been granted by the first appellate authority is contradictory to records.

9. Moreover, in the written submissions filed before the tribunal, the assessee has not even made any attempt to explain the source of cash deposits in bank and has not even specified the nature of business carried on by the assessee and though it is submitted that cash is deposited out of explained sources, no *print out of cash book*, nor any paper book has been filed before us.

10. The Ld. DR relied on the order of the CIT (A) and prayed for upholding the appellate order.

11. However, considering all aspects of the matter , in the interest of justice we allow one more opportunity to the assessee to explain the nature and source of cash deposited in bank during the FY 2016-17, (*including the cash deposited during demonetization*), and we remand the matter back to the Ld first appellate authority (*as per assessee prayer in ground no. 1*) to adjudicate on all the grounds contained in

form 35 on merits after allowing reasonable opportunity to the assessee of being heard and the assessee is also directed to file all explanations and submissions along with documentary evidences to prove and explain the source of cash deposited in bank .

12. We have not expressed any opinion on merits and all issues are left open.

13. 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