

IN THE INCOME TAX APPELLATE TRIBUNAL
“PATNA BENCH, PATNA
VIRTUAL HEARING AT KOLKATA

Before Shri Sonjoy Sarma, Judicial Member and Shri Rakesh Mishra, Accountant Member

I.T.A. No.81/Pat/2025
Assessment Year: 1991-92

Rekha Gupta.....Appellant

Balua Tal, Motihari,
East Champaran, Bihar-845401.
[PAN: ADKPG6602P]

vs.

ACIT, CC, Muzaffarpur..... Respondent

Appearances by:

Shri Abhi Sarkar, Adv., appeared on behalf of the appellant.

Md. A H Chowdhury, DR appeared on behalf of the Respondent.

Date of concluding the hearing : January 05, 2026

Date of pronouncing the order : January 09, 2026

आदेश / ORDER

Per Sonjoy Sarma, Judicial Member:

The present appeal filed by the assessee is directed against the order dated 24.12.2024 passed by the NFAC, Delhi u/s 250 of the Income Tax Act, 1961 (the 'Act') for the assessment year 1991-92.

2. Brief facts of the case are that the assessee is an individual deriving income from business and other sources. During the relevant period, the assessee was engaged in the business of sale of liquor on wholesale and retail basis in the proprietary concern styled as M/s Surya Enterprises. A search and seizure operation under section 132(1) of the Act was conducted at the business premises as well as the residential premises of the assessee. Pursuant thereto, an assessment

was framed under section 158BC of the Act for the block period from 01.04.1991 to 25.07.2000, determining total undisclosed income at ₹81,99,474.

3. Aggrieved, the assessee preferred an appeal before the Ld. CIT(A). The matter ultimately travelled to this Tribunal, and the Patna Bench of the Tribunal vide order dated 25.11.2016 set aside the issue to the file of the Assessing Officer with a direction to adjudicate the matter afresh in accordance with law. In pursuance of the Tribunal's directions, the Assessing Officer issued notice under section 142(1) for the block period. During the reassessment proceedings, the Assessing Officer made an addition of ₹24,23,499 on account of alleged undisclosed investment in stock, and an addition of ₹77,361 as undisclosed income not reflected in the return. The addition relating to stock was made on the basis of difference in trading account, allegedly derived from data contained in a hard disk seized during the course of search. The assessee contended that the hard disk was never decoded in his presence, and copies of the material relied upon by the Assessing Officer were never supplied to the assessee, thereby violating principles of natural justice. The assessee again preferred an appeal before the Ld. CIT(A). It is noted that the Ld. CIT(A) issued notices on several occasions spanning almost two years, from 21.01.2022 to 16.12.2024. Despite service of notices, the assessee failed to appear or file any submissions, and accordingly, the Ld. CIT(A) passed an ex parte order, confirming the additions made by the Assessing Officer.

4. At the time of hearing before us, the Ld. Authorised Representative of the assessee submitted that the order of the Ld.

CIT(A) was passed ex parte, the assessee could not effectively represent his case, and in the interest of justice, one more opportunity may be granted to enable the assessee to place supporting documents on record.

5. The Ld. DR, on the other hand, supported the orders of the authorities below and submitted that the assessee has shown habitual non-compliance with statutory notices.

6. We have carefully considered the rival submissions and perused the material available on record. We find that this is the second round of litigation, pursuant to directions already issued by the Tribunal earlier, the assessee has failed to comply with notices issued by the Ld. CIT(A) for a prolonged period, and the impugned order has been passed ex parte due to non-appearance of the assessee. At the same time, considering the seriousness of additions arising out of search proceedings, and keeping in view the principles of natural justice, we are of the considered opinion that one final opportunity should be granted to the assessee to substantiate his claims. Accordingly, in the interest of justice and fair play, we set aside the impugned order of the Ld. CIT(A) and restore the matter to his file with a directions that the assessee shall strictly comply with all notices issued by the Ld. CIT(A) and file necessary evidences in support of her claims and the Ld. CIT(A) shall adjudicate the issues afresh in accordance with law after affording reasonable opportunity of being heard. It is made clear that in case the assessee again fails to comply, the Ld. CIT(A) shall be at liberty to pass an order on merits based on material available on record.

7. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Kolkata, the 9th January, 2026.

Sd/-

[Rakesh Mishra]

लेखा सदस्य/Accountant Member

SD/-

[Sonjoy Sarma]

न्यायिक सदस्य/Judicial Member

Dated: 09.01.2026.

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