

IN THE INCOME TAX APPELLATE TRIBUNAL
“DB” BENCH, AMRITSAR

PHYSICAL HEARING

BEFORE HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM
AND
SHRI UDAYAN DAS GUPTA, JM

आयकर अपील सं. / ITA No.616/ASR/2024
(निर्धारण वर्ष / Assessment Year: 2017-18)

Shri Aashaq Hussain Khan Wagoora, Darahu Frasta Wari, Baramulla J & K – 193201	बनाम/ Vs.	ITO Ward-1 Srinagar - 192301
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. BGHPK-0549-L		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकीओरसे/ Appellant by	:	Written submissions
प्रत्यर्थीकीओरसे/ Respondent by	:	Sh. Charan Dass (Addl. CIT) – Ld. Sr. DR

सुनवाईकीतारीख/ Date of Hearing	:	20-01-2026
घोषणाकीतारीख / Date of Pronouncement	:	20-01-2026

आदेश / O R D E R

1. Aforesaid appeal by assessee for Assessment Year (AY) 2017-18 arises out of an order of learned Commissioner of Income Tax (Appeals), NFAC dated 02-08-2024 in the matter of an assessment framed by Ld. AO on *best judgment basis* u/s 144 on 06-12-2019. The registry has noted delay of 44 days in the appeal which stand condoned. The assessee has filed written submissions along with its grounds of appeal. The Ld. Sr. DR pleaded for dismissal of the appeal. After due consideration, the appeal is disposed-off as under.

2. The assessee did not file return of income and remained non-compliant during assessment proceedings. It transpired that the assessee deposited Rs.316.07 Lacs in its bank account out of which Rs.13.31 Lacs were deposited during demonetization period. The amount of Rs.13.31 Lacs was accordingly added u/s 69A. On the remaining deposits of Rs.302.76 Lacs, Ld. AO estimated business income @8% and framed the assessment. The Ld. CIT(A) confirmed the assessment for want of any reply from the assessee. Aggrieved, the assessee is in further appeal before us.

3. From assessee's submissions, it appears that the assessee has acted as seller of sim cards and recharge coupons. The ledger from Bharti Airtel Ltd. has been placed on record. It has been submitted that the profit margin in this line of business is very low and therefore, the estimation of 8% is on the higher side. The assessee has also assailed separate addition for post-demonetization deposits on the ground that it is only an artificial bifurcation whereas the deposits represent business receipts only. Finding substance in these pleadings, we set aside the impugned order and restore the appeal back to the file of Ld. CIT(A) for fresh adjudication by considering these documents with a direction to the assessee to plead and prove its case forthwith.

4. The appeal stands allowed for statistical purposes.

Order pronounced on 20th January, 2026.

Sd/-

Sd/-

**(UDAYAN DAS GUPTA)
JUDICIAL MEMBER**

**(MANOJ KUMAR AGGARWAL)
ACCOUNTANT MEMBER**

Dated: 20-01-2026

आदेश की प्रतिलिपि अग्रेषित /Copy of the Order forwarded to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT AMRITSAR