

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

(PHYSICAL COURT)

**BEFORE SH. UDAYAN DASGUPTA, JUDICIAL MEMBER
AND SH. KRINWANT SAHAY, ACCOUNTANT MEMBER**

I.T.A. No. 306/Asr/2025

Assessment Year: 2014-15

Mohd. Imran Khajawal,
Killi Masjid Saraf Kadal,
S.R. Gunj, Srinagar,
UT-J & K 190002

Vs.

Income Tax Officer,
Ward-1, Srinagar
UT- Jammu & Kashmir

[PAN: AXSPK 9491N]

(Appellant)

(Respondent)

Appellant by : None (Adjournment application)

Respondent by : Sh. Charan Dass, Sr. D. R.

Date of Hearing : 17.02.2026

Date of Pronouncement : 19.02.2026

ORDER

Per Krinwant Sahay, A.M.:

Appeal in this case has been filed against the order dated 11.02.2025 passed by the ld. CIT(A) NFAC, Delhi for Assessment Year: 2014-15.

2. Grounds of appeal taken by the assessee are as under:

“1. Violation of Principles of Natural Justice

The impugned order has been passed ex-parte, in blatant violation of the principles of natural justice, as the appellant was not afforded a fair and reasonable opportunity of being heard. The notices under Section 250 were allegedly dispatched to the registered email addresses associated with the appellant's return of income for the relevant assessment year-namely, caahm99@gmail.com, belonging to the Chartered Accountant (CA) handling the appeal, and imrankhajawal@gmail.com, an inoperative email ID created by a former employee, to which the appellant has no access. Unfortunately, the appellant remained unaware of these notices due to the CA's severe liver ailment, which incapacitated him and prevented him from managing the case or communicating the developments to the appellant. Consequently, the appellant was deprived of a meaningful opportunity to respond to the proceedings, leading to an adverse order passed in his absence. These extraordinary and unforeseen circumstances, beyond the appellant's control, warrant interference by this Hon'ble Authority to uphold the fundamental tenets of justice. Therefore, in the interest of fairness and equity, the appellant humbly prays for the impugned order to be set aside and for an opportunity to present his case on merits.

Wrongful Addition U/S 69A

The AO invoked Section 69A despite the appellant declaring the source as business income. Cash deposits in bank accounts represent legitimate business receipts and cannot be taxed as "unexplained money" The Assessing Officer (AO) mechanically reclassified business receipts (declared under Section 148) as "income from other sources" without any evidentiary basis or justification. The appellants business in gold jewellery retail fully explains the cash deposits.

2. Non-Consideration of Submissions

The appellant duly filed a return under Section 148 declaring an income of Rs.10,95,961/- and submitted replies to the AO. However, the AO disregarded these submissions in violation of Section 144B.

3. Portal Misinformation Leading to Non-Compliance

*The Income Tax Portal displayed a deadline of 31/03/2024, creating a bona fide belief that proceedings were ongoing. The AO, however, passed the assessment order prematurely dated 09/05/2023, bearing **DIN No. ITBA/AST/S/147/2023-24/1052690205(1)** causing undue hardship to the appellant.*

4. *The Ld. AO erred in both facts & laws by making an addition of Rs. 6,21,29,500 u/s 69A of the Act, when the entire cash deposits represent sales made in ordinary course of business & declared in ITR filed under section 148 of the income tax act 1961 & the ITR stands accepted by AO.*

5. *That the assessment is based on presumptions, conjectures and surmises and AO has not acted fairly.*

6. *The appellant respectfully reserves the right to add, amend, alter, modify, substitute, delete and/or rescind all or any of the grounds of appeal at any stage of the proceedings, including during the course of the hearing, if necessary, in the interest of justice.”*

3. At the very outset, the counsel of the assessee brought before the bench during proceedings before us it was argued that the order passed by the ld. CIT(A) is an ex-parte order, the counsel, therefore, argued

that the case has not been discussed or assessed on merit before the lower authorities.

4. The ld. DR relied on the order of the ld. CIT(A).

5. We have considered the submissions of the ld. counsel regarding this order being an ex-parte order before the ld. CIT(A) in the appellate proceedings.

6. Thus, we find that the issues in this case have not been discussed on merit after due consideration of assessee's submission.

7. Therefore, keeping in view, the element of natural justice with the assessee, we are inclined to remand this appeal back to the file of the ld. CIT(A) for passing an order *de-novo* after giving adequate opportunities to the assessee of being heard as well as to allow him to file written submissions if any. The assessee will have all the legal issues before him. The assessee is also directed to co-operate with the department for completion of proceedings before authorities below.

8. In the result, the appeal of the assessee is allowed for statistical purpose.

Order pronounced in the open court as on 19.02.2026

Sd/-
(Udayan Dasgupta)
Judicial Member

Sd/-
(Krinwant Sahay)
Accountant 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