

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

(PHYSICAL COURT)

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

I.T.A. Nos. 614 & 615/Asr/2024

Assessment Year: 2017-18

Gurjant Singh
H. No. 236, Part 2,
Valtoha Patti, Tarn Taran
143418

Vs.

Income Tax Officer,
Ward-1, Tarn Taran

[PAN: FHXPS 6560J]

(Appellant)

(Respondent)

Appellant by : Sh. Ashwani Kalia, C. A.
Respondent by : Sh. Charan Dass, Sr. D. R.
Date of Hearing : 21.01.2026
Date of Pronouncement : 26.02.2026

ORDER

Per Udayan Dasgupta, J.M.:

This appeal is filed by the assessee against the order of the ld. CIT (A) NFAC, Delhi dated 30.09.2024, passed u/s 250 of the Income Tax Act, 1961, which has emanated from the order of the AO, Ward-1, Tarn Taran dated 31.12.2019 passed u/s 144 of the Act, 1961.

2. The assessee has taken six grounds in Form No. 36 and the main grievance of the assessee is against the passing of ex-party order by the Id. CIT(A) without affording proper opportunity of being heard.
3. Brief facts emerging from the records are that the assessee has claimed to be an agriculturist and has deposited cash of an amount of Rs. 13,56,500/- in his bank account at *Kotak Mahindra Bank A/c No. xxxxxx00384* during demonetization period and in absence of any return being filed, proceedings has been initiated u/s 142(1) and in absence of any response or compliance in course of assessment proceedings, the assessment has been completed *ex-party* on a total income of Rs. 13,56,500/- (*treating the SBN deposit as income u/s 69A*).
4. The matter carried in appeal has been dismissed in absence of any response to various notices issued by the Id. CIT(A), by observing as follows:

“I have carefully considered the facts of the case, grounds taken in appeal as well as gone through the observation and findings of the AO 's assessment order. Since no written submission against the grounds, as enumerated in grounds of appeal, is filed by the appellant despite availing multiple opportunity of hearing 30-08-2024, 11-09-2024 etc., the appeal relating to the grounds are disposed on merit i.e. based on materials available on records.

I find from the grounds of appeal vis-à-vis statement of facts that the appellant claimed the AO has made erroneous addition based on erroneous information and the same proceedings being bad in law.

In the result, the appeal of the appellant is dismissed.”

5. Now, the assessee is in appeal before the Tribunal on the grounds contained in Form No. 36 and the Id. AR of the assessee submitted that the assessee is an agriculturist and has got no other income other than from agricultural activities and the cash that has been deposited in bank account has been sourced out of sale proceeds of agricultural crops and he prays for an opportunity of furnishing of documentary evidences to support his contention of and agricultural income.

6. The Id. DR relied on the order of the Id. CIT(A) and has submitted that the assessee in spite of so many opportunities has not been able to produce any evidence of *agricultural land holdings* and has not filed any documentary evidences relating to *agricultural crop sale*. He further submitted that in course of appellate proceedings, there was no compliance and in absence of any evidence brought on record, he prayed for the appellate order to be sustained.

7. We have heard the rival submissions and considered the materials on record and we find that the assessee has deposited an amount of Rs. 13,56,500/- in cash in his bank account during the demonetization period and in spite of repeated notices being issued and served, no return of income has been filed, and has not complied with any notices issued by the AO and even in course of appellate proceedings, the assessee has not responded to any notices and has not furnished any documentary evidences regarding

existence of agricultural land and neither any documents relating to sale proceeds of agricultural crops.

8. This is a case where the assessee has intentionally neglected to file documentary evidences and willfully evaded compliance to statutory notices being issued and even before the Tribunal, the assessee has not filed any documentary evidences to establish the *existence of agricultural land holdings* and sale of agricultural produce which might result in agricultural income as claimed. As such, we consider it to be a fit case where cost should be imposed and as such, a cost of Rs. 5000/- is imposed payable to the credit of *Prime Minister's National Relief Fund*, within 15 days from the date of communication of this order (*evidence to be produced before the JAO*).

9. However, considering the prayer of the ld. AR of the assessee and considering that *ex-parte order* has been passed at both the stages, and in the interest of justice, we allow the assessee one more opportunity to produce necessary documentary evidences and to fully co-operate in proceedings before the Assessing Officer for *de-novo* fresh assessment.

10. As such, the appeal is set aside back to the files of the AO for fresh assessment and the assessee is directed to file all documentary evidences in support of his contention and to fully co-operate in fresh assessment proceedings.

11. The assessee will be allowed a proper and reasonable opportunity of being heard.

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

I.T.A. No. 615/Asr/2024:

13. This appeal is filed by the assessee against the penalty-imposed u/s 272A(1)(d) of the Act by imposing a penalty of Rs.30,000/- for non-compliance to notices issued u/s 142(1) on three separate occasions as evident from the penalty order. It is seen from the penalty order that there has not been any compliance on the part of the assessee in response to show cause notice issued and the assessee has not even submitted any reply and has not made even a single attempt to explain his case. *(The assessee has simply filed an intimation before the AO that an appeal is pending against quantum proceedings).*

14. The matter was carried in first appeal before the Id. CIT(A) NFAC where the assessee has submitted a written submission where it has been stated that the place of resident of assessee is situated in a remote village area near Valtoha Tehsil- Patti, Distt. Tarn Taran and no proper notice has been received by the assessee. However, no reasons has been put forth as to why there has not been any appearance by the assessee

or his AR in course of assessment proceedings on three separate occasions for which the notices has been issued.

15. The ld. AR of the assessee in course of hearing before the Tribunal submitted that the notice of hearing has not been received and as such, no appearance could be made.

16. The ld. DR pointed out that the assessee himself intimated the filing of appeal against quantum before Assessing Officer and asked for the penalty to be kept in abeyance as such, the argument that no notices has been received is not correct because it is the same address to which all notices has been issued.

17. We have heard the rival submissions and considered the materials on record and we find that numerous notices has been issued without any response from the assessee and we consider it to be a fit case for imposition of penalty u/s 272A(1)(d) of the Act. However, on the facts of the case, we reduce the penalty to Rs.10,000/- (ten thousand only) instead of 30,000/- imposed by the AO and sustained by the ld. CIT(A). The assessee gets consequential relief.

18. In the result, the appeal filed by the assessee is partly allowed.

Order pronounced in accordance with Rule 34(4) of the Income Tax (Appellate Tribunal) Rules, 1963 as on 26.02.2026

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