

IN THE INCOME TAX APPELLATE TRIBUNAL, RANCHI BENCH, RANCHI

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

ITA No. 359/Ran/2025
(Assessment Year-2013-14)
(Virtual Hearing)

Birju Saw, S/o-Jitu Saw, Oreya, Hazaribagh-825303 (Jharkhand) PAN No. BPPPS 3798 E	Vs.	I.T.O., Hazaribagh.
Appellant/ Assessee		Respondent/ Revenue

Assessee represented by	Shri Shabbir Gul, A.R.
Department represented by	Shri Kailash Gautam, Sr.DR
Date of hearing	28/01/2026
Date of pronouncement	20/02/2026

ORDER

PER: BENCH

1. This appeal by the assessee is directed against the order of the National Faceless Appeal Centre (NFAC), Delhi/learned Commissioner of Income Tax (Appeals), [in short, the Id. CIT(A)] dated 31/07/2025 for the Assessment Year (AY) 2013-14. The assessee has raised following grounds of appeal:

- "1. That the Ld. CIT(A) grossly erred in rejecting additional evidences filed by the appellant, ignoring the fact that the appellant is a small rural businessman, unacquainted with tax laws, operating without proper legal and professional guidance during the assessment stage. The failure to furnish documents earlier was due to bonafide hardship and lack of awareness and therefore, in the interest of justice, the evidences out to have been admitted.
2. That the Ld. CIT(A) failed to appreciate the nature of the appellant's business i.e. trading of seeds, fertilizers and pesticides in rural areas, which is seasonal and cash intensive in nature, thereby justifying the pattern of cash deposits.
3. That although statutory notices were issued by the Assessing Officer, the appellant being a small rural businessman with limited knowledge of tax laws and without proper professional guidance could not effectively avail such opportunities. The non compliance was not deliberate due to genuine hardship and lack of awareness. In these circumstances, denial of admission of evidences

by the Id. CIT(A) has resulted in grave prejudice to the appellant, amounting to violation of the principles of natural justice.

4. *Without prejudice, the Id. CIT(A) ought to have restored the matter to the Assessing Officer for fresh adjudication after admitting the evidences, instead of summarily dismissing the appeal.*
5. *That on the facts and circumstances of the case and in law, the order passed by the Id. CIT(A), NFAC, Delhi dated 31/07/2025 is bad in law, contrary to principles of natural justice, and liable to be quashed.*
6. *That the Id. CIT(A) erred in upholding the addition of ₹ 14,70,000/- as unexplained cash deposits, without appreciating that the deposits represented genuine business receipts, advances from farmers and small temporary loans from friends and relatives, all duly supported by documentary evidences."*

2. Brief facts of the case the assessee has not filed his return of income for the A.Y. 2013-14. The case of the assessee was reopened under Section 147 of the Income Tax Act, 1961 (in short, the Act) and notice under Section 148 of the Act was issued. In response to the notice under Section 148 of the Act, the assessee did not file his return of income. Notice under Section 142(1) of the Act was issued to the assessee. In response of which, the assessee filed application for adjournment and the case was again fixed for hearing before the Assessing Officer, but no response was made by the assessee. Various other notices were issued to the assessee but no response was made by the assessee. Finding no alternative, the Assessing Officer passed assessment order under Section 147 r.w.s 144 read with section 144B on 17.09.2021 by making addition of ₹ 14,70,000/- on account of unexplained cash deposits.
3. Aggrieved by the order of the Assessing Officer, the assessee filed appeal before the Id. CIT(A), who vide the impugned order, dismissed the appeal of the assessee by holding that the appellant has adduced additional evidences but no reason is mentioned as to why these details were not furnished before the Assessing Officer.

4. Aggrieved by the order of the Id. CIT(A), the assessee has filed the present appeal before this Tribunal.
5. At the outset of hearing, the learned Authorised Representative (Id. AR) of the assessee submits that that the Assessing Officer as well as the Id. CIT(A) have not given fair and reasonable opportunity of hearing to the assessee. The additional evidences filed by the assessee has not been considered by the Id. CIT(A) and dismissed the appeal of the assessee. No sufficient and reasonable opportunities were provided to the assessee by the Id. CIT(A). The Id. AR of the assessee submits that the assessee has good case on merit and is likely to succeed if one more opportunity is provided. The Id. AR of the assessee prayed that the additional evidences filed by the assessee may be admitted and the matter may be restored to the file of Assessing Officer for deciding the issue afresh.
6. On the other hand, the learned Senior Departmental Representative (Id. Sr.DR) for the revenue supported the orders of the revenue authorities. Ld. Sr.DR for the revenue submits that the revenue authorities have provided more than sufficient opportunities to the assessee to comply with the notices but assessee failed to avail such opportunities. Thus, the assessee does not deserve any leniency and additions made by the Assessing Officer may be upheld.
7. We have carefully considered the submissions of the both the parties and have gone through the orders of the lower authorities. We find that the Assessing Officer completed the assessment ex parte under Section 147 r.w.s. 144 r.w.s. 144B of the Act on 17/09/2021. We find that during the assessment, the

Assessing Officer issued various statutory notices as recorded in para 4 and 5 of assessment order.

8. On appeal before the Id. CIT(A), the assessee was again served with various notices to substantiate the various grounds of appeal raised before Id. CIT(A). In response to the notices issued by the Id. CIT(A), the assessee filed a written submission mentioning about additional evidences, which were not filed before the Assessing Officer. The Id. CIT(A) after perusing the facts and circumstances of the case and the contents made in the written submissions, confirmed the addition made by the Assessing Officer by holding that appellant has adduced additional evidences but no reason is mentioned as to why these details were not furnished before the Assessing Officer.
9. Now before us, the Id. AR of the assessee submitted that no fair and reasonable opportunities of hearing were provided to the assessee. The Id. AR of the assessee submitted that one more opportunity should be provided to assessee and to decide the matter on merit and prayed to admit the additional evidences and restore the matter back to the file of Assessing Officer for fresh adjudication. It is correct that reasonable opportunities have been provided to the assessee, still, there was no compliance. The facts remain that the income tax laws are within the ambit of welfare legislation which are absolutely separate from penal legislation and therefore, given the facts and circumstances and as per applicable law, benefit of doubt has to be attributed to the assessee/tax payer. There may be circumstances beyond the control of assessee or "vis major" because of which the assessee may not have able to comply with the notices before the revenue authorities. Under the given facts on

record, which cannot be said that such non-compliance was deliberate or malafide on the part of assessee. Considering the facts and circumstances of the case and keeping in view the principles of natural justice, we admit the additional evidences filed by the assessee before the Id. CIT(A) and the matter is restored to the file of Assessing Officer considering the fact that assessment was completed under section 144 of the Act, to pass assessment order afresh in accordance with law. Needless to direct that before passing the order, the Assessing Officer shall grant reasonable opportunity of being heard to the assessee. The assessee is also directed to avail this opportunity and not to cause further delay and seek adjournment without any valid reasons and to furnish all the details and evidences to justify various grounds of appeal raised by him. In the result, the grounds of appeal raised by the assessee are allowed for statistical purposes.

10. In the result, this appeal of the assessee is allowed for statistical purposes only.

Order pronounced in open court on 20th February, 2026

Sd/-
(GEORGE MATHAN)
JUDICIAL MEMBER

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Ranchi, Dated: 20/02/2026

**Ranjan*

Copy to:

1. Assessee
2. Revenue
3. CIT
4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Ranchi