

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़
IN THE INCOME TAX APPELLATE TRIBUNAL
CHANDIGARH BENCH, 'A', CHANDIGARH

**BEFORE SHRI RAJPAL YADAV, VICE PRESIDENT &
SHRI KRINWANT SAHAY, ACCOUNTANT MEMBER**

आयकर अपील सं./ ITA No. 1156/CHD/2025

निर्धारण वर्ष / Assessment Year : 2013-14

Platinum Sales, SCF-10, Sector 9-D, Chandigarh	बनाम Vs.	The ITO, Ward 2(1), Chandigarh
स्थायी लेखा सं./ PAN NO: AANFP7207P		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

(PHSYICAL HEARING)

निर्धारिती की ओर से/Assessee by : Ms. Ekakshra Mandhar, Advocate,
and Sh. Atul Mandhar, Advocate

राजस्व की ओर से/ Revenue by : Dr.Ranjit Kaur, Addl. CIT Sr.DR

सुनवाई की तारीख/Date of Hearing : 12.03.2026

उदघोषणा की तारीख/Date of Pronouncement : 13.03.2026

आदेश/Order

Per Krinwant Sahay, AM :

Appeal in this case has been filed by the assessee against the order dated 14.07.2025 passed by the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi.

2. Grounds of appeal, as raised by the Assessee are reproduced as under:

1. *That the Lrd. CIT(A) has been unjustified in ignoring the Assessee's written submissions specifically requesting the grant of a personal hearing through Video Conference during the Appeal Proceedings, which was duly filed on 14/07/2025 within the prescribed statutory time limit. The said request was neither acknowledged nor considered and the Lrd. Assessing Officer proceeded to pass the order without providing the Assessee an effective opportunity of being heard, which is in violation of the principles of natural justice and has caused grave prejudice to the Assessee.*
2. *That the Lrd. CIT(A) has been unjustified in upholding addition of Rs.1,12,65,000/- on account of Disallowance of Cash deposit u/s 68 r.w.s. 115BBE of Income Tax Act, 1961, as the Assessee had duly declared this amount in the Income Tax Return filed. The said cash amounting to Rs.1,12,65,000/- was deposited in HDFC Bank Account No. 13142320000854, which is maintained by the Assessee Firm. The cash deposit forms an integral part of the Books of Accounts of the Assessee Firm which was duly audited.*
3. *That the Lrd. CIT(A) has been unjustified in upholding & ignoring the Assessee's written submissions during the Assessment*

Proceedings and adding back an amount of Rs.1,12,65,000/- on account of Disallowance of Cash deposit u/s 68 r.w.s. 115BBE of Income Tax Act, 1961. The Assessee had submitted a detailed response along with the necessary annexures as documentary evidence, which clearly states that the said cash deposit of Rs.1,12,65,000/- was recorded in the Books of Accounts of the Assessee's Firm and had duly been offered for taxation.

- 4. That the Lrd. CIT(A) has been unjustified in passing the Order without application of mind as the present case does not pertain to the demonetisation period, which was incorrectly mentioned and relied upon in Assessment Order,*
- 5. That the Lrd. CIT(A) has been unjustified in upholding Penalty proceedings under the Provisions of Section 271(1)(c).*
- 6. That the Lrd. CIT(A) has been unjustified in upholding Penalty proceedings under the Provisions of Section 271(1)(b).*
- 7. That any other ground which would be taken up at the time of hearing with the kind permission of the Hon'ble bench.*
- 8. That the order of the Lrd. Commissioner Income Tax 8 (Appeals), Income Tax Department, National Faceless Appeal Centre (NFAC) is defective both in Law and Facts of the case.*

9. *That the Lrd. CIT(A) has been unjustified in ignoring the Assessee's written submissions filed during the course of the Appeal Proceedings. The Assessee had duly filed detailed submissions along with all supporting documentary evidence on 14/07/2025, within the prescribed statutory time limit. However, the Lrd. Assessing Officer, without appreciating OR considering the said material on record, has proceeded to pass the order in a mechanical and arbitrary manner, which is contrary to the settled principles of natural justice and has resulted in grave prejudice to the Assessee.*

3. Brief facts of the case, as per the order of the Ld. CIT(A), are that the Assessee has filed a return of income on 23.08.2022 declaring income of 20,80,370/-. The case was selected for scrutiny, and the assessment order was passed by the Assessing Officer on 18.12.2024 u/s 147 r.w.s. 144 r.w.s. 144B of the Act at assessed income of Rs. 133,45,370/- after making an addition of Rs.1,12,65,000/- u/s 68 r.w.s. 115BBE of the Act.

4. Aggrieved with the decision of the AO, the Assessee preferred an appeal before the Ld. CIT(A) who also

dismissed the appeal of the Assessee by passing an ex-parte order. The Assessee is now in appeal before us.

5. At the outset, the ld. Counsel for the Assessee submitted before the Bench that the Ld. CIT(A) was unjustified in ignoring the Assessee's written submissions specifically requesting the grant of a personal hearing through Video Conference during the Appeal Proceedings, which was duly filed on 14/07/2025 within the prescribed statutory time limit. The said request was neither acknowledged nor considered and the order was passed without providing the Assessee an effective opportunity of being heard, which is in violation of the principles of natural justice and has caused grave prejudice to the Assessee. Furthermore, it was submitted that the Ld. CIT(A) required the Assessee to file the written submissions on or before 14.7.2025 vide notice dated 7.7.2025 issued u/s 250 of the I.T. Act, which was duly complied and reply was filed by the Assessee on 14.7.2025 but the Ld. CIT(A), in the present case, in a very haste manner passed the order on 14.7.2025 without

considering the written submissions / detailed reply of the Assessee which is in violation of the principles of natural justice and it caused grave injustice to the Assessee. It is submitted that the Assessee has a fair case on merit. A prayer has, therefore, been made to remand the matter back to the CIT(A) for adjudication afresh on merit.

4. Per contra, Ld. DR relied on the orders of the authorities below.

5. We have considered the findings given by the Ld. CIT(A) and the arguments made by the ld. Counsel for the Assessee as well as the ld. DR. From the findings of the Ld. CIT(A), we have observed that the Ld. CIT(A) though mentioned that the Assessee failed to appear during the appeal proceedings before CIT(A) despite issuing of notices and because of the non-submission of any response from Assessee, the appeal was dismissed by upholding the order of the Assessing Officer. But, from the record it is evident that Assessee was required to submit written submissions by 14.7.2025 before the Ld. CIT(A) and the

Ld. CIT(A) was supposed to pass an order after considering the written submissions filed by the Assessee which was very much filed on 14.7.2025 by the Assessee. This fact has not been controverted by the Revenue. We find that in the present case, the Ld. CIT(A) without considering the written submissions filed by the Assessee, passed the order on 14.7.2025 itself which is against the principles of natural justice. Therefore, in the interest of natural justice and fitness of things we are of the view that Assessee deserves an opportunity of being heard in the matter.

6. Accordingly, the matter is remanded back to the CIT(A) for adjudication afresh on merit after considering the submissions of the Assessee and material available on record. Needless to say, that the ld. CIT(A) will give proper opportunity to the Assessee to present his case and to furnish necessary evidences and details. The Assessee is also directed to present its case before the Ld. CIT(A) as and when called for and will not contribute in unnecessary delay in the hearing of the appeal.

7 In the result, the appeal of the Assessee stands allowed for statistical purposes.

Order Pronounced on 13.03.2026.

Sd/-

Sd/-

(RAJPAL YADAV)
Vice President

(KRINWANT SAHAY)
Accountant Member

“आर.के.”

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

सहायक पंजीकार/ Assistant Registrar