

**IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR BENCH :: NAGPUR**

**BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER &
SHRI KHETTRA MOHAN ROY, ACCOUNTANT MEMBER**

**ITA No. 15/NAG/2025
(Assessment Year : 2015-16)**

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| Madhuri Vishnu Dadure, Laxmibai Ward 18, Shritakit Road, Gondia-441 601 PAN : CHMPD 6146 H | vs | ITO, Ward – 1, Gondia |
| Assessee | | Respondent |

| | | |
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| Assessee by | : | Shri Shubham Jain, CA & Shri Mahavir Atal, CA |
| Revenue by | : | Shri Surjit Kumar Saha, Sr. DR |
| Date of hearing | : | 19.02.2026 |
| Date of pronouncement | : | 13.05.2026 |

ORDER

PER KHETTRA MOHAN ROY, AM:

This appeal filed by the assessee is directed against the order of Ld. Commissioner of Income Tax (Appeals)/NFAC, Delhi, (for short, “**CIT(A)**”), dated 28/11/2024 passed under section 250 of the Income Tax Act, 1961 (for short, “**Act**”) which is emanating from the assessment order dated

22.03.2023 passed u/s. 147 r.w.s. 144B of the Act for the Assessment Year 2015-16.

2. The only issue raised by the assessee in this appeal is that Ld. CIT(A) was not justified in dismissing the assessee's appeal by rejecting the legal ground raised without deciding the case on merits.

3. Facts of the case, in brief, are that the assessee, an individual, filed her return of income for Assessment Year 2015-16 on 05.08.2022 declaring total income at Rs. 3,62,440/-. Subsequently, based on information received by the Department that the assessee had deposited cash amounting to Rs. 87,15,000/- in The Bhandara Urban Co-operative Bank, proceedings under section 147 of the Income-tax Act were initiated and notice under section 148 of the Act was issued and duly served upon the assessee. In response thereto, the assessee filed return of income on 05.08.2022 declaring the same income as originally returned. Thereafter, statutory notices under sections 143(2) and 142(1) of the Act along with a detailed questionnaire were issued

calling for necessary details and explanations regarding the cash deposits. In response, the assessee submitted that party-wise details of sales were not readily available and further stated that party-wise purchase details were being collected from the suppliers. Subsequently, a show-cause notice dated 23.02.2023 was issued proposing addition of Rs. 87,15,000/- as unexplained cash deposits under section 69A of the Act. In response to the said show-cause notice, the assessee furnished certain details including purchase/sale registers and bank statements. However, according to the Ld. AO, the assessee failed to furnish complete supporting details and satisfactory evidence explaining the source of cash deposits made in the bank account. Accordingly, the Ld. AO treated the entire cash deposit of Rs. 87,15,000/- as unexplained money under section 69A of the Act and added the same to the total income of the assessee.

4. Being aggrieved with the order of Ld. AO, assessee preferred appeal before the Ld. CIT(A) raising a legal ground that issuance of notice u/s. 148/148A(d) by the Jurisdictional

Assessing Officer (**JAO**) and not by the Faceless Assessing Officer (**FAO**) is invalid in the light of CBDT Notification No. 18/2022, dated 29.03.2022. Ld. CIT(A) after considering the written submissions filed by the assessee and relying on section 124(3) held that *no person shall be entitled to question the jurisdiction of AO after completion of assessment*. Ld. CIT(A) further held that assessee did not explain the source of cash deposit either before the Ld. AO or during the course of appellate proceedings. Therefore, the addition made by the Ld. AO was upheld by the Ld. CIT(A).

5. Aggrieved by the order of Ld. CIT(A), assessee is in appeal before this Tribunal. Learned counsel for the assessee submitted that as per section 151A of the Act and the E-Assessment of Income Escaping Assessment Scheme, 2022, all notices u/s 148 are mandatorily required to be issued through the Faceless Assessing Officer (FAO). The use of the word “shall” makes the provision mandatory. He submitted that in the present case, notice u/s 148 dated 31.03.2022 has been issued by the JAO and not by the Faceless Assessing

Officer (FAO). Therefore, notice is void ab *initio* and the entire reassessment proceedings are liable to be quashed. Learned counsel for the assessee placing reliance on the decision of Hon'ble Bombay High Court in the case of *Hexaware Technologies Ltd. vs. ACIT* in W.P.No.1778/2023 vide judgment dated 03/05/2024 (62 taxmann.com 225 (Bom)) and submitted that the Hon'ble High Court has held that notice u/s 148 can be issued only by FAO. He further submitted that the facts of the present case are identical; hence, the issue is squarely covered by the decision of Hon'ble Jurisdictional High Court. Therefore, learned counsel prayed that matter may be remanded back to the file of Ld. CIT(A) for adjudication afresh.

6. Ld. Departmental Representation (DR) has submitted that notice issued by the Jurisdictional Assessing Officer (**JAO**) is valid as the jurisdiction over the assessee lies with JAO and procedural irregularities, if any, do not invalidate the proceedings. He further submitted that reliance placed by the assessee on the decision of Jurisdictional High Court in the case of *Hexaware Technologies Ltd. (supra)* is misplaced as the

issue is pending before the Hon'ble Supreme Court. Ld. DR further submitted that assessee failed to substantiate the source of cash deposits with proper evidence. He further submitted that assessee failed to establish source of funds and the Ld. AO rightly treated it as unexplained income. Therefore, the order of Ld. CIT(A) be upheld.

7. We have heard rival submissions of both the parties and perused the material placed before us. At present, the Hon'ble Apex Court is seized of the matter concerning the judgment in the case of *Hexaware Technologies Ltd.* (supra) along with other connected petitions. In such circumstances, it would not be judicious to grant relief to the assessee on this ground alone. The very same bench of this Tribunal, in the case of *ITO vs. Piyush Tushar Paralikar* in ITA No. 393/NAG/2024 dated 10.04.2026, after considering the facts and circumstances of the case, remanded the issue back to the file of Ld. CIT(A). Respectfully following the above referred to decision, we deem it appropriate to remit the issue to the file of the Ld. CIT(A) to adjudicate the matter afresh by taking a holistic view and by

passing a reasoned and speaking order in accordance with law, after duly considering the merits of the case. The ground of appeal raised by the assessee is allowed for statistical purposes.

8. In the result, the appeal filed by the assessee stands allowed for statistical purposes.

Order pronounced in open Court on 13/05/2026 as per Rule 34 of Income Tax (Appellate Tribunal) Rules, 1963.

Sd/-
PAWAN SINGH
JUDICIAL MEMBER

sd/-
KHETTRA MOHAN ROY
ACCOUNTANT MEMBER

Nagpur: Dated: 13/05/2026

vr/-

ITA No. 15/NAG/2025
(Madhuri Vishnu Dadure)

Copy to:

1. The Assessee
2. The Revenue
3. The Pr.CIT concerned.
4. The DR, ITAT, Nagpur
5. Guard file.

By order

Senior Private Secretary
ITAT, Nagpur