



2025:AHC:200557-DB

HIGH COURT OF JUDICATURE AT ALLAHABAD

INCOME TAX APPEAL No. - 77 of 2025

Ashok Kumar Agarwal

.....Appellant(s)

Versus

The Assistant Commissioner Of Income Tax

.....Respondent(s)

Counsel for Appellant(s)	:	Rahul Agarwal
Counsel for Respondent(s)	:	Ankur Agarwal

Court No. - 3

HON'BLE SAUMITRA DAYAL SINGH, J.
HON'BLE INDRAJEET SHUKLA, J.

1. Heard Sri Rahul Agarwal, learned Senior Counsel assisted by Sri Rishab Kachhawah, learned counsel for the appellant and Sri Ankur Agarwal, learned counsel for the revenue.

2. Present appeal has been filed under Section 260A of the Income Tax Act, 1961 arising from the order of the Income Tax Appellate Tribunal Agra Bench, Agra in ITA No. 50/AGR/2025, AY 2015-16, and ITA No. 52/AGR/2025, AY 2015-16 (penalty). By that order, the Tribunal has allowed two appeals filed by the revenue, ex parte.

3. The appeal has been pressed on question nos. 1 and 2 as below :

"(i) Whether the Income Tax Appellate Tribunal was legally justified in rejecting the second request for adjournment made by the appellant for the date of 19.05.2025, resulting in the passing of an ex-parte order in violation of principles of natural justice?

(ii) Whether the order of the Income Tax Appellate Tribunal, in upholding the valuation of the property as reflected in the DVO's report on the ground that it was agricultural land in the year 1981, without dealing with and reversing the specific findings recorded by the CIT (Appeals) for treating it as non-agricultural land in the year 1981, is arbitrary, perverse and legally sustainable?"

4. Submission is, the appeals were filed in the year 2025. They have been

allowed *ex parte* on the second date fixed in the proceedings that too despite adjournment application filed by the assessee, for that date fixed. Though the Tribunal has taken note of the adjournment application, it has not passed any order thereon but rejected the same without assigning any reason.

5. In such facts, we had given opportunity to learned counsel for the revenue to obtain instructions. No specific fact has been reported as may indicate to the Court any reason assigned by the Tribunal to reject the adjournment application.

6. In such facts, no useful purpose may be served in keeping the present appeal pending.

7. While inordinate delays in judicial decision making is not healthy and expeditious disposal of the proceedings is a goal that all Courts, Tribunals and Authorities may pursue, at the same time they may remain conscious of their non-negotiable commitment to afford reasonable opportunity of hearing to the parties before such judicial decision making is achieved.

8. What may constitute a reasonable opportunity of hearing may vary from fact to fact and no hard and fast rule may be laid down in that regard.

9. In the present facts, suffice to note, the appeals were filed by the revenue against the order of CIT appeals dated 14.11.2024. The appeals came to be filed in the year 2025. They were listed on only two dates 03.04.2025 and 19.05.2025, i.e. within two months.

10. Even if the petitioner had obtained adjournment on the first date, he remained entitled to reasons to be recorded to reject the second adjournment application. To the extent, no reason has been assigned to reject the adjournment application and further to the extent the Tribunal has proceeded to hear and decide the appeal on that date itself, the assessee's right to be heard is seen to have been prejudiced, without reason assigned.

11. On that consideration, we are unable to accord approval to the

approach adopted by the Tribunal.

12. The Income Tax Tribunal is the last fact finding authority under the scheme of the Income Tax Act, 1961. Once it has recorded findings of fact, further appeal therefrom may only allow on formation of opinion by this Court and expression on a substantial question of law.

13. On the above appraisal, the appeal is allowed and the order dated 24.06.2025 is set aside. The Tribunal is directed to issue fresh notice to the assessee and pass appropriate reasoned order after hearing the parties. Such exercise may be completed within a period of six months. The assessee also undertakes to cooperate in the proceedings and not seek undue or long adjournments.

(Indrajeet Shukla,J.) (Saumitra Dayal Singh,J.)

November 12, 2025

Pratima