

IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT BENCH, SURAT
(HYBRID HEARING)

**Before: Shri T.R. Senthil Kumar, Judicial Member And
Shri Bijayananda Pruseth, Accountant Member**

**ITA No: 870/SRT/2023
Assessment Year: 2020-21**

Minesh Mehta 401 Diamond Apartment, Nagoriwad, Saiyedpura, Surat, Gujarat-395003 PAN: AAYPM2048Q (Appellant)	Vs	Income Tax Officer Ward-3(2)(6), Surat (Respondent)
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**Assessee Represented: Shri Rasesh Shah, CA
Revenue Represented: Shri Mukesh Jain, CIT-DR**

Date of hearing : 05-05-2025
Date of pronouncement : 07-05-2025

आदेश/ORDER

PER : T.R. SENTHIL KUMAR, JUDICIAL MEMBER:-

This appeal is filed by the Assessee as against the appellate order dated 26.10.2023 passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, (in short referred to as "CIT(A)"), arising out of the assessment order passed under section 143(3) of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') relating to the Assessment Year 2020-21.

2. Brief facts of the case is that the assessee is an individual and filed his Return of Income on 04-02-2021 declaring total income of Rs. 9,73,59,930/-. The A.O. noticed that new unsecured loans and new creditors were reflected in the Annexure to the balance sheet, therefore requested to explain the same. The assessee produced partial details of the unsecured creditors namely Nirmala S. Parikh, Jainam Commodity and Ashwin Kamdar (HUF), the assessee could also could not explain the sundry creditors. Therefore the Assessing Officer made addition of Rs. 79,18,52,136/- as unexplained unsecured loans and also made addition of Rs.38,33,09,647/- as unexplained sundry creditors and demanded tax thereon.

3. Aggrieved against the assessment order, assessee filed an appeal before Ld. CIT(A) and also filed additional evidences namely bank statements, ledger account, contra confirmation of the various parties. However Ld. CIT(A) has not accepted the additional evidences on the ground that the assessee failed to produce these documentary evidences before the Assessing Officer thereby dismissed the appeal filed by the assessee.

4. Aggrieved against the same, the assessee is in appeal before us raising the following Grounds of Appeal:

1. On facts 1 On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in confirming the action of assessing officer in making the addition of Rs. 79,18,52,136/- u/s 68 on account of alleged unexplained cash credit being unsecured loans.

2. On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in confirming the action of assessing officer

in making the addition of Rs. 38,33,09,647/- u/s 68 on account of alleged unexplained cash credit being sundry creditors.

3. It is therefore prayed that the above addition made by the assessing officer and confirmed by CIT(A) may please be deleted.

4. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.

5. Ld. Counsel Mr. Rasesh Shah appearing for the assessee submitted before us a Paper Book running to 222 pages wherein the additional documents filed before Ld. CIT(A) namely bank statements, ledger account, ITR copies, etc. Thus Ld. Counsel pleaded that the Ld. CIT(A) without admitting the additional evidences and without calling for Remand Report from the A.O., dismissed the appeal. Therefore requested one more opportunity be given to the assessee to explain its case before the Assessing Officer with the relevant details and documents.

6. Per contra, Ld. CIT-DR Shri Mukesh Jain appearing for the Revenue supported the order passed by the Commissioner (Appeals) and submitted that the assessee has not produced these documents before the Assessing Officer, hence the order passed by Ld. CIT(A) does not require any interference.

7. We have given our thoughtful consideration and perused the materials available on record including the Paper Book filed by the assessee. From Page Nos. 115 to 222 of the Paper Book, the assessee filed ledger account, contra confirmation bank account and ITR copies. However without entertaining the same and without calling for the Remand Report from the Assessing Officer,

Ld. CIT(A) dismissed the appeal of the assessee, which is against the Principle of Natural Justice. Therefore, we deem it fit to set aside the matter back to the file of Jurisdictional Assessing Officer to look into additional evidences filed by the assessee and then pass assessment order in accordance with law by giving proper opportunity of hearing to the assessee. Needless to say that the assessee should make use of this final opportunity by filing all necessary details, records before the Assessing Officer for passing fresh assessment order.

8. In the result, the appeal filed the Assessee is allowed for statistical purpose.

Order pronounced under proviso to Rule 34 of ITAT Rules, 1963 on 07-05-2025

Sd/-
(BIJAYANANDA PRUSETH)
ACCOUNTANT MEMBER

Ahmedabad : Dated 07/05/2025

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

Sd/-
(T.R. SENTHIL KUMAR)
JUDICIAL MEMBER

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलिय अधिकरण,
सूरत