

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

**BEFORE SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER &
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER**

I.T.A. Nos. 278 & 279/SRT/2025
(Assessment Year: 2011-12)

Bipin Gopalbhai Patel, 46, Sanskruti Dulex Bungalow, Bardoli, Gujarat-394601	Vs.	Income Tax Officer, Ward-2/Ward-1, Bardoli
[PAN No. BFMPP3300Q]		
(Appellant)	..	(Respondent)

Appellant by :	Shri Rasesh Shah, CA
Respondent by:	Shri Ajay Uke, Sr. DR

Date of Hearing	09.07.2025
Date of Pronouncement	18.07.2025

ORDER

PER SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER:

These are appeals filed by the Assessee against the order passed by the Ld. Commissioner of Income Tax (Appeals), (in short “Ld. CIT(A)”), National Faceless Appeal Centre (in short “NFAC”), Delhi vide orders dated 26.05.2023 passed for A.Y. 2011-12.

2. The assessee has raised the following grounds of appeal:

ITA No. 278/Srt/2025 (A.Y. 2011-12)

“1. On the facts and in circumstances of the case as well as law on the subject, the learned CIT(A) has erred in passing ex-parte order without giving reasonable and sufficient opportunity of being heard.

2. On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in dismissing the appeal without passing speaking order.

3. On the facts and circumstances of the case as well as law on the subject, the learned assessing officer has erred in re-opening assessment u/s 147 by issuing notice u/s 148 of the IT. Act, 1961.

- 2-

4. On the facts and circumstances of the case as well as law on the subject, the Ld. Assessing officer has erred in making addition of Rs. 10,00,000/- as unexplained investment being investment in insurance policy.

5. On the facts and circumstances of the case as well as law on the subject, the Ld. Assessing officer has erred in making addition of Rs. 5,77,640/- as unexplained credits being credits in bank account.

6. On the facts and circumstances of the case as well as law on the subject, the Ld. Assessing officer has erred in making addition of Rs. 12,00,000/- as unexplained cash deposits being cash deposits in bank account.

7. It is therefore prayed that the matter may be set aside to the file of learned CIT(A) or assessing officer or the addition made by the assessing officer may please be deleted.

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

ITA No. 279/Srt/2025 (A.Y. 2011-12)

“1. On the facts and in circumstances of the case as well as law on the subject, the learned CIT(A) has erred in passing ex-parte order without giving reasonable and sufficient opportunity of being heard.

2. On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in dismissing the appeal without passing speaking order.

3. On the facts and circumstances of the case as well as the law on subject, assessing officer has erred in levying penalty of Rs.7,07,911/- u/s. 271(1)(c) of the act.

4. It is therefore prayed that the matter may be set aside to the file of learned CIT(A) or assessing officer or the penalty levied by the assessing officer may please be deleted.

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

We shall first start with assessee’s appeal in ITA No. 278/Srt/2025 for A.Y. 2011-12 in the quantum proceedings.

3. The brief facts of the case are that the assessee is an individual and he did not file his return of income for the impugned year under consideration. The Assessing Officer on the basis of information received from ADIT

(Investigation), Surat noticed that the assessee had paid total insurance premium of Rs. 10,00,000/- and accordingly, notices were sent to inquire into the sources of such payment of insurance premium. However, the assessee did not comply with the notices issued by the Assessing Officer and a sum of Rs. 10,00,000/- was added as unexplained investment in insurance policy in the hands of the assessee. Further, the Assessing Officer also made addition of Rs. 5,77,640/- on account of credits appearing in assessee's bank account held with Bank of Baroda, for which the assessee did not file any explanation. Also, the Assessing Officer noted that the assessee had made total cash deposits of Rs. 12 lakhs in his bank account held with Bank of Baroda and in absence of any explanation by the assessee with regards to the source of deposits, the Assessing Officer made an addition of Rs. 12 lakhs as unexplained income of the assessee. The Assessing Officer also initiated penalty proceedings for concealment of income.

4. In appeal, Ld. CIT(A) issued various notices of hearing, which remained uncomplied with and accordingly, the appeal of the assessee was dismissed on account of non-appearance.

5. The assessee is in appeal before us against the aforesaid order passed by Ld. CIT(A). Before us, the Counsel for the assessee submitted that Ld. CIT(A) had sent email communications at wrong email address, which was different from the email address mentioned by the assessee in Form No. 35. It was for this reason that the assessee could not cause appearance before Ld. CIT(A) and appeal of the assessee was dismissed on account of non-appearance. Further, since all communications were sent by Ld. CIT(A) at the incorrect email id, the assessee was not aware about the passing of order

by Ld. CIT(A), which caused the delay of 588 days in filing of appeal before ITAT. The Counsel for the assessee submitted that if given an opportunity of hearing, he would diligently comply with all notices of hearing and furnish all necessary supporting evidences to show the source of cash deposits / credits in his bank account.

6. In response, Ld. DR placed reliance on the observations made by the Assessing Officer and Ld. CIT(A) in their respective orders.

7. On going through the facts of the assessee's case and taking into consideration the fact that the assessee is a senior citizen of 66 years of age the matter is hereby restored to the file of the Assessing Officer for de-novo consideration. However, we also observe that all throughout assessment and appellate proceedings before Ld. CIT(A), the assessee had remained non-complaint and did not furnish any details. Accordingly, a cost of Rs. 10,000/- is imposed on the assessee for purposes of getting the matter set-aside to the file of Assessing Officer for de-novo consideration. The cost of Rs. 10,000/- is required to be deposited with the Prime Minister Relief Fund for the purposes of getting the matter set-aside to the file of Assessing Officer.

8. In the result, the appeal of the assessee is allowed for statistical purposes.

Now we shall deal with assessee's appeal in ITA No. 279/Srt/2025

9. We note that the assessee's appeal with respect to quantum additions made by the Assessing Officer in assessee's appeal No. 278/Srt/2025 has

- 5-

been restored to the file of Ld. Assessing Officer for de-novo consideration. Since we have restored the appeal of the assessee with respect to quantum proceedings to the file of Assessing Officer, consequently, assessee's appeal against imposition of penalty is also restored to the file of Assessing Officer for de-novo consideration, subject to payment of cost of Rs. 10,000/- in relation to penalty matter as well.

10. In the result, both appeals are hereby restored to the file of Assessing Officer for de-novo consideration.

11. In the result, both the appeals of the assessee are allowed for statistical purposes.

Order pronounced under proviso to Rule 34 of ITAT Rules, 1963 on 18/07/2025

Sd/-

**(BIJAYANANDA PRUSETH)
ACCOUNTANT MEMBER**

Ahmedabad; Dated 18/07/2025

TANMAY, Sr. PS

TRUE COPY

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त(अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, सूरत / DR, ITAT, Surat
6. गार्ड फाईल / Guard file.

Sd/-

**(SIDDHARTHA NAUTIYAL)
JUDICIAL MEMBER**

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)
आयकर अपीलीय अधिकरण, सूरत/ ITAT, Surat