

**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**"SMC" BENCH, NAGPUR**

**BEFORE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER**

**ITA no.434/NAG/2025**  
**(Assessment Year : 2020-21)**

Purshottam Jairam & Co.  
Plot no.69, Lakadganj  
Nagpur 440 008,  
Maharashtra.  
PAN- AABFP8919J

..... Appellant

v/s

Income Tax Officer  
Ward-4(3), Nagpur

..... Respondent

Assessee by: None(Letter dt 7.10.2025)  
Revenue by : Shri Surjit Kumar Saha.SR.DR

Date of Hearing – 09/10/2025

Date of Order – 10/10/2025

**ORDER**

The assessee has filed the appeal against the order dated 25/03/2025, passed by the CIT(A)/ National Faceless Appeal Centre(NFAC), Delhi, u/sec 143(3) and u/sec 250 of the Income Tax Act, 1961 (for short "*the Act*") for the A.Y. 2020-21. The assessee has raised the following grounds of appeal:-

*"1] Learned CIT(A), National Faceless Appeal Centre, Delhi,, Delhi, erred in passing the order ex-parte without giving proper opportunity to the appellant.*

*2] Learned CIT(A), FFAC, Delhi, erred in confirming the addition made by A.O., u/s.68 of the I.T.Act, 1961 amounting to Rs.36,47,078/-.*

*3. Learned CIT(A), FFAC, Delhi, and the A.O. erred in not properly considering appellant's various submissions and relevant supporting details filed before A.O.*

*4. Learned A.O. erred in adding amounting to Rs.36,47,078/- i.e., difference of opening and closing balance (Rs.81,06,914) - Rs.44,59,836/-) in the account of Mukesh Tank is bad in law and without considering the Appellant's submission and same addition has been confirmed by CIT(A), NFAC, Delhi.*

*5] Appellant crave to urge additional grounds or modified the grounds of appeal, at the time of hearing, if necessary.*

2. There is a delay of 44 days in filing the appeal before the Hon'ble Tribunal and the assessee has filed an application and affidavit for condonation of delay explaining the sufficient cause. Whereas the facts mentioned in the application/Affidavit are reasonable and the learned D.R. has no specific objections. Accordingly, the delay is condoned and the appeal is admitted.

3. The Brief facts of the case are that the assessee is a partnership firm and filed the return of income for the A.Y. 2020-21 on 08/02/2021 disclosing a total loss of Rs.28,17,717/-. Subsequently, the case was selected for scrutiny under CASS and notices u/sec 143(2) / 142(1) of the Act are issued along with questionnaire. Whereas, the Assessing Officer, on a perusal of the financial statements, found unsecured loan of Rs.32.50 lakhs obtained by the partnership firm in the F.Y. 2019-20 and the Assessing Officer has asked the assessee prove the genuineness of the unsecured loan transaction and the creditworthiness and identity of the parties and there was no proper compliance by the assessee and,

therefore, the Assessing Officer considered the information available on record, opening balance of loans and re-payment of loan during the year and has made addition u/sec68 of the Act of Rs.36,47,078/- and assessed the total income of Rs.8,29,361/- and passed the order under section 143(3) r.w.s. 144B of the Act. The assessee being aggrieved by the order has filed the appeal before the CIT(A).

4. In appellate proceedings, the CIT(A) has considered the grounds of appeal, statement of facts, findings of the Assessing Officer and issued notices of hearing on various dates. Since there was no compliance to the notices by the assessee, the CIT(A) considering the information on record has confirmed the action of the Assessing Officer and dismissed the appeal of the assessee. Aggrieved by the order of the CIT(A), the assessee has filed appeal before the Hon'ble Tribunal.

5. None appeared on behalf of the assessee. The learned Departmental Representative supported the order of the CIT(A).

6. Heard the submissions of the learned D.R. and perused the material available on record. The CIT(A) has dismissed the assessee's appeal, as there was no compliance to the notices issued in the appellate proceedings on various dates dealt at Para4.2 of the order. Further the CIT(A) is of the opinion that the assessee is not interested in prosecuting the appeal and has confirmed the action of the Assessing Officer. Whereas, the assessee has raised grounds of appeal challenging the

addition u/sec68 of the Act by the assessing officer. There could be various reasons for non-compliance by the assessee which cannot be ruled out. Hence, considering the facts, circumstances and to meet the ends of justice, the assessee should be provided with one more opportunity for hearing. Accordingly, the order of the CIT(A) is set aside and restore the disputed issues to the file of the CIT(A) to adjudicate issues afresh on merits and the assessee should be provided adequate opportunity of hearing and the assessee should co-operate in submitting the information for early disposal of appeal. And the grounds of appeals of the assessee are allowed for statistical purposes.

7. In the result, appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open Court on 10/10/2025

**Sd/-**  
**(PAVAN KUMAR GADALE)**  
**JUDICIAL MEMBER**

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The PCIT / CIT (Judicial);*
- (4) *The DR, ITAT, Nagpur; and*
- (5) *Guard file.*

*Pradeep J. Chowdhury*  
*Sr. Private Secretary*

True Copy  
By Order

Sr. Private Secretary  
ITAT, Nagpur