

। आयकर अपीलीय अधिकरण न्यायपीठ, मुंबई ।
IN THE INCOME TAX APPELLATE TRIBUNAL
"F" BENCH, MUMBAI

BEFORE SHRI SAKTIJIT DEY, HON'BLE VICE PRESIDENT
&

SHRI NARENDRA KUMAR BILLAIYA, HON'BLE ACCOUNTANT MEMBER

I.T.A. No. 5071/Mum/2025

Assessment Year: 2011-12

J K Patel & Co. 306, Blue Diamond Pandit Solicitor Road Malad East Mumbai - 400097 [PAN: AACFJ3131H]	Vs	Income Tax Officer - 41(3)(2), Mumbai
अपीलकर्ता/ (Appellant)		प्रत्यर्थी/ (Respondent)

Assessee by:	Shri K.A. Vaidyalingan, A/R
Revenue by:	Ms. Kavitha Kaushik (Sr. D/R) (virtually appeared)

सुनवाई की तारीख/Date of Hearing : 16/10/2025
घोषणा की तारीख /Date of Pronouncement : 24/10/2025

आदेश/O R D E R

PER NARENDRA KUMAR BILLAIYA, AM:

This appeal by the assessee is preferred against the order dated 05/06/2025 by NFAC, Delhi [hereinafter "the ld. CIT(A)"] pertaining to AY 2011-12.

2. The grievance of the assessee read as under:-

"1. The learned CIT (A) grossly erred in dismissing the appeal of the appellant in as much as he has decided the appeal as if the appellant had not made any submission which is not the fact OR the Hon. CIT (A) has completely ignored or failed to consider the detailed submissions made by the Appellant with as many as 41 Annexures as is evident from the fact that there is no whisper in the impugned Appellate order about having considered the detailed submissions made by the Appellant.

2. The learned CIT(A) erred in not affording to the Appellant a reasonable opportunity of being heard before dismissing the appeal in spite of the fact that detailed submissions along with several supporting documents, bank statements, confirmations, copies of binding judicial pronouncements, etc. were filed in response to Notice u/s. 250 of the Income tax Act.

3. In law and on the facts and in the circumstances of the appellant's case, the learned CIT (A) erred in dismissing the Appellant's appeal, thus sustaining the action of the learned AO completing the reassessment with a haste and mechanical mindset which is against the principle of natural justice and therefore the impugned assessment ought to have been quashed by the learned CIT (A).

4. In law and on the facts and in the circumstances of the appellant's case, the learned CIT (A) erred in dismissing the Appellant's appeal, thus sustaining the action of the

learned AO adding unsecured loan taken during the year amounting to Rs.9,30,000/- by ignoring the unassailable supporting documents submitted during the reassessment proceedings. Additions so made ought to have been deleted by the learned CIT (A).

5. In law and on the facts and in the circumstances of the appellant's case, the learned CIT (A) erred in dismissing the Appellant's appeal, thus sustaining the action of the learned AO making addition of the whole of the Purchase Value of Rs.1,55,67,940/- from M/s. Maan Diamonds, in place of 8% thereof of Rs.12,29,435/-, as added in the original assessment proceedings without any cogent reason for such deviation and on the direction of the learned Pr. CIT in the order u/s 263 without considering the facts of the case fully and without providing any copy of the statement recorded by the investigation team or affording any opportunity of cross examination. The addition so made is against the principles of natural justice and therefore ought to have been deleted by the learned CIT (A).

6. In law and on the facts and in the circumstances of the appellant's case, the learned CIT (A) erred in dismissing the Appellant's appeal, thus sustaining the action of the learned AO by considering the value of alleged bogus purchase at Rs.1,55,67,940/- whereas the actual amount of purchase from Maan Diamonds amounted to only Rs.1,53,67,940/-.

7. In law and on the facts and in the circumstances of the appellant's case, the learned CIT (A) erred in dismissing the Appellant's appeal, thus sustaining the action of the learned AO assessing the income at Rs.1,83,66,165/- by not reducing Rs.12,29,435/- which represented 8% of the alleged bogus purchase already once added in the original assessment vide Order dated 19-12-2018. This has resulted in subjecting the sum of Rs.12,29,435/- to double taxation.

8. In law and on the facts and in the circumstances of the appellant's case, the learned CIT (A) erred in dismissing the Appellant's appeal, thus sustaining the action of the learned AO in initiating penalty proceedings u/s 271(1)(c) of the Act.

The above grounds of appeal are independent and without prejudice to one The appellant craves leave to add, amend, alter, amplify, modify or withdraw any of the grounds of Appeal."

3. Representatives were heard at length. Case records carefully perused and the relevant documentary evidence brought on record duly considered in the light of Rule 18(6) of the ITAT Rules, 1963.

4. Briefly stated the facts of the case are that assessment u/s 143(3) r.w.s. 147 of the Act was framed vide order dated 19/12/2018 determining assessed income at Rs. 18,68,225/-. The ld. Pr. CIT assumed jurisdiction conferred upon him by the provisions of Section 263 of the Act and set aside the assessment order dated 19/12/2018 holding it to be erroneous and prejudicial to the interest of the revenue.

5. Pursuant to the order u/s 263 of the Act, the AO framed the assessment by making addition of Rs. 9,30,000/- u/s 68 of the Act and addition on account of accommodation entry in the form of bogus purchases amounting to Rs. 1,55,67,940/-.

6. The assessee carried the matter before the Id. CIT(A) and filed a detailed reply with voluminous documentary evidence but the Id. CIT(A) dismissed the appeal without even mentioning the submissions of the assessee along with the documentary evidence. We find that the submissions of the assessee and the documents uploaded are evident from Exhibit 119 to 124 of the paper book which were uploaded on 10/01/2025.

7. Considering the documentary evidence furnished by the assessee, in light of the findings of the Id. CIT(A), we are of the considered view that the Id. CIT(A) has grossly erred in ignoring the submissions with the documentary evidence filed by the assessee. We, therefore, deem it fit to restore the issue to the file of the Id. CIT(A), the Id. CIT(A) is directed to consider and examine submissions and the documentary evidence submitted by the assessee vide letter dated 10/01/2025 uploaded with the acknowledgement no. 810886281090125, after affording reasonable and adequate opportunity of being heard to the assessee.

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

Order pronounced in the Court on 24th October, 2025 at Mumbai.

Sd/-

**(SAKTIJIT DEY)
VICE PRESIDENT**

Sd/-

**(NARENDRA KUMAR BILLAIYA)
ACCOUNTANT MEMBER**

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

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

आदेशानुसार/ BY ORDER
TRUE COPY

Assistant Registrar
आयकर अपीलीय अधिकरण
ITAT, Mumbai