

**IN THE INCOME-TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT
BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER &
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.322/SRT/2025

Assessment Year: (2014-15)

(Hybrid hearing)

Yakub Ibrahim Doba 1 Maiyat Faliya, At: Kathor Tal: Kamrej, Surat-394150	Vs.	Income Tax Officer, Ward- 2(2)(5) Aaykar Bhavan, Majura Gate, Surat-395001
स्थायीलेखासं./जीआइआरसं./PAN/GIR No: BQKPD0801P		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

Appellant by	Shri P. M. Jagasheth, CA
Respondent by	Shri Abhishek Gautam, Sr. DR
Date of Hearing	23.09.2025
Date of Pronouncement	26.09.2025

आदेश / ORDER

PER BIJAYANANDA PRUSETH, AM:

This appeal by the assessee emanates from the order passed under section 250 of the Income-tax Act, 1961 (in short, 'the Act'), dated 15.01.2025 by the National Faceless Appeal Centre, Delhi/ Commissioner of Income-tax (Appeals) [in short, 'CIT(A)'] for the Assessment Year (AY) 2014-15, which in turn arises out of assessment order passed by Assessing Officer (in short, 'AO') u/s 143(3) of the Act dated 30.11.2016.

2. Grounds of appeal raised by the assessee are as under:

"1. On the facts and in the circumstances of the case as well as the law on the subject, the learned Commissioner of the Income Tax (Appeals) has erred in confirming the action of the Assessing Officer in making addition of Rs.52,68,777/- on account of share difference between purchase consideration Value and fair market value determined by the stamp duty valuation authority treated as income u/s.56(2)(vii)(b) of the I.T. Act.

2. On the facts and in the circumstances of the case as well as the law on the subject, the learned Commissioner of the Income Tax (Appeals) has not offered adequate opportunities to hear the case and passed ex-parte order and hence the case may please be set aside and restored back to the CIT(A) or AO for sake of the interest of natural justice.

3. It is therefore prayed that the above addition may please be deleted as learned members of the tribunal may deem it proper.

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

3. Facts of the case in brief are that assessee had filed his return of income on 28.03.2016 declaring total income at Rs.1,98,030/-. The case of the assessee was selected for scrutiny through CASS. During the assessment proceedings, notices u/s.143(2) and 142(1) of the Act were issued to the assessee seeking details on relevant issues. In response to the same, written submission was filed by the assessee. It was observed that during the year under consideration, assessee had purchased two immovable properties along with other 2 co-owners and there was difference of Rs.52,68,777/- between their purchase considerations and fair market value determined by the stamp duty valuation authority. On the aforesaid difference of Rs.52,68,777/-, provision of section 56(2)(vii)(b) of the Act was attracted. The AO issued show cause notice on 11.11.2015 and its reminder on 24.11.2016 to the assessee. However, no reply/explanation was furnished in its compliance. The aforesaid difference of Rs.52,68,777/- was, therefore, added to the total income of the assessee u/s.56(2)(vi)(b) of the Act. assessment order.

4. Aggrieved by the addition made by AO, assessee preferred appeal before CIT(A). In appellate proceedings, the CIT(A) issued notice of hearing on 23.12.2020.

In its compliance, assessee furnished part details vide his replies dated 12.12.2022, 25.12.2022, 11.03.2024. In order to get more clarity on the issue, CIT(A) issued further notice on 24.12.2024; however, assessee did not furnish any documentary evidence and simply filed reply on 29.12.2024 stating “Kindly consider earlier submissions in response to this notice.

4.1 The CIT(A) observed that the assessee failed to adduce any evidence either in support of his claim or to refute the observations made by the AO or to further clarify the issue. Therefore, CIT(A) dismissed the appeal of the assessee without adjudicating it on merits, vide its order dated 15.01.2025.

5. Aggrieved by the order of the CIT(A), assessee has filed present appeal before the Tribunal. The Ld. AR of the assessee submitted that necessary details/documents were filed in response to the notices issued by the CIT(A) from time to time. Besides, no remand report has been called for from the AO by the CIT(A). On the contrary, CIT(A) dismissed the appeal of the assessee without adjudicating the same on merits. Therefore, it was prayed that order of CIT(A) may be set aside and remitted to the file of CIT(A).

6. On the other hand, Ld. Sr. DR relied on the order of lower authorities. He would, however, have no objection if the matter may be restored back to the file of CIT(A).

7. We have heard both the parties and perused the materials on record. The Ld. AR has argued that the CIT(A) has passed order without giving reasonable and

sufficient opportunities of being heard to assessee. The CIT(A) dismissed the appeal of assessee by passing a mechanical order without discussing merits of the case. He has simply confirmed the addition made by AO without elaborating the issues in a proper manner. Ld. AR argued that appellate orders of the CIT(A) are to state the points arising in the appeal, the decision of the authority thereon and the reasons for such decisions. Considering the facts and circumstances of the case and the submission of Ld. AR that the Assessing Office made addition for the want of evidence, which was confirmed by CIT(A) in *ex parte* order, we are of the considered view that the assessee deserves one more opportunity to contest its case on merit. Accordingly, without delving deeper into the merits of the case, in the interest of justice, we set aside the order of Ld. CIT(A) and restore the matter back to the file of CIT(A) to pass fresh appellate order in accordance with law after granting adequate opportunity of hearing to assessee. The assessee is directed to be vigilant and to furnish all details and explanation as needed by CIT(A) by not seeking adjournment without valid reason. The ground of appeal raised by the assessee is allowed for statistical purposes.

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

Order pronounced in accordance with Rule 34 of ITAT Rules, 1963

On 26/09/2025 in the open court.

Sd/-
(SANJAY GARG)
न्यायिक सदस्य/JUDICIAL MEMBER
सूरत /Surat

Sd/-
(BIJAYANANDA PRUSETH)
लेखा सदस्य/ ACCOUNTANT MEMBER

दिनांक/ Date: 26/09/2025

Dkp Outsourcing Sr.P.S*

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

- अपीलार्थी/ The Appellant
- प्रत्यर्थी/ The Respondent
- आयकर आयुक्त/ CIT
- आयकर आयुक्त (अपील)/ The CIT(A)
- विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, सूरत/ DR, ITAT, SURAT
- गार्ड फाईल/ Guard File

By order/आदेश से,

// True Copy //

सहायक पंजीकार
आयकर अपीलीय आधिकरण, सूरत