

**IN THE INCOME-TAX APPELLATE TRIBUNAL, MUMBAI BENCH, MUMBAI  
BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER AND  
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER  
ITA No. 6699/MUM/2025(AY: 2013-14)**

Progressive Surface Systems Private Limited 3-B, Udyog Nagar, S.V. Road, Malad West, Mumbai-400064.	<b>vs.</b>	Circle 13(1)(2) Aayakar Bhawan, Maharishi Karve Road, Churchgate, Mumbai-400020.
<b>PAN/GIR No: AACCP9075D</b>		
(Appellant)		(Respondent)

<b>Appellant by</b>	Shri Mehul Shah
<b>Respondent by</b>	Shri Virabhadra Mahajan, Sr. DR
<b>Date of Hearing</b>	11.12.2025
<b>Date of Pronouncement</b>	01.01.2026

**ORDER**

**PER BIJAYANANDA PRUSETH, AM:**

This appeal filed by the revenue emanates from the order passed under section 250 of the Income-tax Act, 1961 (in short, 'Act') by the learned Commissioner of Income-Tax, National Faceless Appeal Centre [in short, 'CIT(A), NFAC'], Delhi, dated 15.09.2025 for the Assessment Year 2013-14.

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

*"Being aggrieved by the order of the Assessing Officer. Assessment Unit and learned Commissioner of Income-tax (Appeal), NFAC, Delhi, this appeal petition is filed on the following amongst other grounds of appeal, which it is prayed may be considered without prejudice to one another.*

*1. On the facts, and in circumstances of the case, and in law, learned Commissioner of Income-tax (Appeal) erred in dismissing the appeal without affording a single opportunity of being heard by fixing the hearing.*

*2. On the facts, and in circumstances of the case, and in law, learned Commissioner of Income-tax (Appeal) erred in confirming action of the Assessing Officer in making addition of Rs. 2,30,27,552 without appreciating that, the Appellant had replied to the show cause notice explaining the transactions of purchases with corroborative evidences, and the Assessing Officer simply relied on the report of Investigation Wing rather than making independent inquiry in the matter rendering proceedings under section 147 invalid in as much as illegal.*

*3. Your Appellant craves leave to add to, amend, alter, modify, and/or delete any of the above grounds of appeal at before final disposal of appeal.”*

3. At the outset, the Id. AR of the assessee submitted that the CIT(A) did not issue any notice before passing the order u/s. 250 of the Act. He invited attention to para 2 of the appellate order and submitted that the CIT(A) passed a cryptic order and wrongly mentioned that no reply was filed by the appellant. He filed copy of the e-proceedings response acknowledgement and submitted that in response to the notice issue on 30.10.2024, the appellant had filed reply dated 11.11.2024. The reply includes written submission, sales bill and ledger, bank statements reflecting payments, stock register and decisions of various appellate forums in favour of the assessee. However, the CIT(A) did not discuss anything and mechanically confirmed the addition of Rs. 2,30,27,552/- made u/s. 69C of the Act.

4. On the other hand, Ld. AR of the department supported the orders of the lower authorities.

5. We have heard both parties and perused the material on record. There is no dispute that the appellant has made written submission including various details, which is evident from the acknowledgement no. 690341571111124. However, the CIT(A) has reproduced the conclusion of the AO at para 3.9 of the assessment order and dismissed the appeal by simply stating that the addition is confirmed. We find that the CIT(A) has not passed the order as per the mandate of section 250(6) of the Act and dismissed the appeal on the wrong ground of

non-compliance. The order passed by the CIT(A) is clearly in violation of the express provisions of section 250(6) of the Act, which provide that the appellate order of the CIT(A) is to state the points arising in appeal, the decision of the authority there on and the reasons for such decision. The underlying rationale of the provision is that such orders are subject to further appeal to the appellate Tribunal. Speaking order would obviously enable party to know the precise points decided in his favour or against him. Considering the facts discussed above and that the assessment order was confirmed by the CIT(A) in violation of the principles of natural justice and mandate of section 250(6) of the Act, we are of the considered opinion that the assessee deserves one more opportunity to plead its case on merits before the CIT(A). Accordingly, in the interest of justice, we set aside the order of CIT(A) and remand the matter back to his file for readjudication afresh after granting adequate and reasonable opportunity of hearing to the assessee. The grounds are allowed for statistical purposes.

6. In the result, the appeal is allowed for statistical purposes.

Order is pronounced on 01.01.2026

Sd/-

**(NARENDER KUMAR CHOUDHRY)  
JUDICIAL MEMBER**

Sd/-

**(BIJYANANDA PRUSETH)  
ACCOUNTANT MEMBER**

Anandi.Nambi(Steno)  
MUMBAI

Date: 01.01.2026

**Copy of the Order forwarded to:**

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, MUMBAI
6. Guard File

**ITA No.6699/MUM/2025/AY 2013-14**  
**Progressive Surface Systems Private Limited**

By Order

Assistant Registrar  
ITAT, MUMBAI