



**IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT
BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER
AND
SHRI DINESH MOHAN SINHA, JUDICIAL MEMBER**

आयकर अपीलसं / ITA No.2/RJT/2024
निर्धारणवर्ष **Assessment Year: (2017-18)**
(Physical Hearing)

M/s Kalyan Tiles, AT Charadava Morbi, Halvad Highway Road, Tal: Morbi-366 330	बनाम / Vs.	Income-tax Officer, Ward-3, Morbi, Aayakar Bhavan, Shakti Chambers, Morbi-363 641
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AACFK5182H		
(Appellant)		(/Respondent)

Appellant by : Shri Mehul Ranpura, AR
Respondent by : Shri Abhimanyu Singh Yadav, Sr. DR
Date of Hearing : 22/12/2025
Date of Pronouncement : 31/12/2025

ORDER

Per Dr. Arjun Lal Saini, AM:

Captioned appeal filed by the assessee, pertaining to assessment year (AY) 2017-18, is directed against the order passed under section 250 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') dated 31.10.2023 by the National Faceless Appeal Centre (NFAC), Delhi/ Commissioner of Income Tax (Appeals) [in short 'Ld.CIT(A)'] which in turn arises out of an assessment order passed by the Assessing Officer (in short 'AO') u/s 143(3) of the Act dated 30.12.2019.

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

"1. The grounds of appeal mentioned hereunder are without prejudice to one another.



2. The ld. Commissioner of Income-tax (Appeals), National Faceless Appeal Centre, Delhi [hereinafter referred to as the "CIT(A)"] erred on facts as also in law in dismissing the appeal *ex-parte* and not affording adequate opportunity of being heard.

3. The ld. CIT(A) erred on facts as also in law in confirming addition of Rs.37,14,970/- made by the AO u/s 68 r.w.s. 115BBE of the Act on the alleged ground that the appellant failed to give supporting in respect of unsecured loan received of Rs.34,14,970/- from various persons. The addition confirmed is unjustified and uncalled for, which may kindly be deleted.

4. Your honour's appellant craves leave to add, to amend, alter or withdraw any or more grounds of appeal on or before the hearing of appeal."

3. At the outset, Ld. Counsel for the assessee assailed the impugned order by contending that assessee could not represent his case before Ld. CIT(A) and the order being an *ex parte* order, stood vitiated on account of violation of principle of natural justice. Learned Counsel for the assessee submits that during the appellate proceedings, notices were not served on the assessee, therefore, assessee could not appear before the ld. CIT(A) and as a result, the Ld.CIT(A) passed *ex parte* order, therefore an another opportunity to contest the appeal before the First Appellate Authority may be granted to the assessee.

4. On the other hand, the ld. Senior DR for the revenue submitted that assessee did not appear before the Lower Authorities, therefore a cost should be imposed on the assessee, on account of his non-compliance attitude.

5. We have heard both the parties and carefully gone through the submission put forth on behalf of the assessee along with the documents furnished and including the findings of the ld. CIT(A) and other materials brought on record. We note that in the assessee's case under consideration, the assessment was carried out u/s 143(3) of the Act and the impugned order passed by the ld. CIT(A), is an *ex parte* order and non-speaking order, therefore, we do not wish to make any comments on



the merits of the grounds raised by the assessee. Considering the above facts, we note that assessee has not given sufficient opportunity of being heard and could not plead its case successfully before the Ld. CIT(A). Considering the above facts, we note that it is settled law that principles of natural justice and fair play require that the affected party is granted sufficient opportunity of being heard to contest its case. On account of non-compliance attitude of the assessee a cost of Rs.1,000/- is imposed on the assessee. Accordingly, we hold that the interests of justice would be met, if the Ld.CIT(A) re-adjudicates the entire issue afresh subject to payment of cost of **Rs.1,000/- (Rupees one thousand only)** by the assessee to the credit of the “Prime Minister National Relief Fund” within 3 weeks from receipt of this order. If the assessee makes default in making the payment of cost then the consequential proceedings would be deemed, as vacation of our instant remand order. We set aside the order of CIT(A) and remit the matter back to the file of Ld.CIT(A) with a direction to pass fresh order in accordance with law after granting adequate opportunity of hearing to the assessee. The assessee is directed to be more vigilant and diligent and to furnish all the details and explanations as needed by the Ld.CIT(A) by not seeking adjournment without valid reasons. With these directions, the grounds of appeal raised by the assessee are allowed for statistical purposes.

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

Order is pronounced in the open court on 31 /12/2025.

Sd/-

(Dinesh Mohan Sinha)
न्यायिक सदस्य/ **Judicial Member**

Rajkot
Date: 31 /12/2025

Sd/-

(Dr. Arjun Lal Saini)
लेखा सदस्य/**Accountant Member**



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

(True Copy)

By order,

Assistant Registrar/Sr.P.S/PS
ITAT, Rajkot