

IN THE INCOME TAX APPELLATE TRIBUNAL
"B" BENCH, MUMBAI
BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER&
SHRI ARUN KHODPIA, ACCOUNTANT MEMBER
ITA No. 5128/MUM/2025 (AY: 2014-15)
ITA No. 5129/MUM/2025 (AY: 2016-17)
(Physical hearing)

Balaram Nama Gaikwad 1, Matoshree, Sunit Colony, Gavali Nagar, Vijay Nagar, Kalyan (West) Thane, Maharashtra – 421306. [PAN : AEAPG6669M]	vs	IIO, Ward – 3(1), Kalyan 2 nd Floor, Rani Mansion, Murbad Road, Kalyan (West), Maharashtra – 421301.
Appellant / Assessee		Respondent / Revenue

Assessee by	Shri Prashant R. Sinkar, ITP
Revenue by	Shri Layaqat Ali Aafaqui, Sr. DR
Date of Institution	21.08.2025
Date of hearing	19.01.2026
Date of pronouncement	19.01.2026

Order under section 254(1) of Income Tax Act

PER PAWAN SINGH, JUDICIAL MEMBER;

1. These two appeals by assessee are directed against the separate orders of Id. CIT(A) both dated 26.06.2025 for Assessment year (AY) 2014-15 & 2016-17 respectively. In both the appeals, the assessee has taken certain common grounds of appeal, certain facts in both the years are common, therefore, with the consent of parties both the appeals were clubbed, heard together and are decided by common order. For appreciation of fact, facts in A.Y. 2014-15 are considered as lead case. The assessee has raised following grounds of appeal:

"1. On the facts and in the circumstances of the case and in law, the learned C.I.T. (A) erred in dismissing the appeal.

2. *On the facts and in the circumstances of the case and in law, the learned C.I.T. (A) erred in dismissing the appeal and that too without even appreciating the facts and the circumstance of the case fully and properly.*

3. *On the facts and in the circumstances of the case and in law the C.I.T (A) has erred in approving the action of the learned AO of issuing Notice U/s 148 dated 26-3-2019 without giving Reasons recorded before the issue of Notice and copy of approval of Joint CIT Range-3, Kalyan which is bad in law.*

4. *On the facts and in the circumstances of the case and in law The C.IT (A) has erred in approving the action of the learned AO in issuing Notice U/s 148 on the basis of information received from DDIT (INV) Kalyan regarding issue of Summons by the said authority dated 27-2-2019, The re-opening of the case u/s 148 is without independent application of mind of AO which is bad in law.*

5. *On the facts and in the circumstances of the case and in law The C.I.T (A) has erred in approving the action of the learned AO in making addition of Rs. 1,34,82,500/- as Unexplained Money U/s 69A, as cash deposited out of the total deposit of Rs. 1,40,22,500/- in Bank of Baroda account No. 27690400011066, already declared by the Assessee in Books of accounts of Sri Sadguru Automobiles, of Rs. 1,29,41,500/- a partnership firm having PAN NO. ABOFS3579B and the same is E-filed vide Ack. No. 342918211020914 and same is accepted by the Department which is bad in law.*

6. *On the facts and in the circumstances of the case and in law, the learned C.I.T. (A) erred in approving the action of the A.O. in making an addition of an amount of Rs. 1,34,82,500/- as Un-explained Money u/s 69A which is bad in law.*

7. *On the facts and in the circumstances of the case and in law, the learned C.I.T. (A) erred in approving the action of the A.O, in making an addition of an amount of Rs.20,59,740/- as Un-explained Investments u/s 69 which is bad in law.*

8. *On the facts and in the circumstances of the case and in law, the learned C.I.T. (A) erred in approving the action of the A.O, in charging interest under section 234A/B/C which is bad in law.*

The appellant craves leave to add, alter, amend and/or delete any or all of the grounds of appeal at any time."

2. Rival submissions of both the parties have been heard and record perused.

The learned Authorised Representative (Id. AR) of the assessee submits

that assessing officer as well as Id. CIT(A) has passed the ex-parte order. The assessing officer made addition under section 69 & 69A of Rs. 20,59,740/ & 1,34,82,500/- respectively. The assessee also could not make submission before Id. CIT(A), which resulted in dismissal of appeal in ex-parte order. The Id AR of the assessee submits that the assessee has good case on merit and one more opportunity may be allowed to explain the credit and other entry in his bank account. He undertake on behalf of the assessee to be more vigilant in future. Similar appeal for AY 2012-13 is already restored to Id CIT(A) vide order dated 09.10.2025 in ITA No. 5127/Mum/2025, copy of which is being placed on record.

3. On the other hand, the learned Senior Departmental Representative (Id. Sr. DR) for the Revenue submits that assessee is a habitual defaulter in not making timely compliance. The assessee does not deserve any further leniency. Both the appeal of the assessee may be dismissed.
4. We have considered the rival submissions of both the parties and have gone through the orders of lower authorities carefully. We find that assessing officer made addition under section 69 & 69A of Rs. 20,59,740/ & 1,34,82,500/- respectively. The Id. AO made addition by taking view that assessee failed to submit evidence of business receipts. The Id. CIT(A) also confirmed the action by taking view that despite serving a number of show cause notice under section 250, no response was made. Now before us, the Id. AR of the assessee vehemently urged that one more opportunity may be allowed to contest the case on merit. Thus, considering the principle of natural justice of lower authorities have passed the order of ex-parte

proceeding, therefore, in the interest of justice, matter is restored back to the file of assessing officer to pass the assessment order. Needless to direct before passing the order afresh, the AO shall allow reasonable opportunity to the assessee. The assessee is also directed to be more vigilant in making timely compliance. In the result, appeal of the assessee is allowed for statistical purpose.

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5. In appeal for A.Y. 2016-17, the assessee has raised similar ground of appeal in A.Y. 2017-18 which have already allowed for statistical purpose, thus, following the principle of consistency, the appeal for A.Y. 2016-17 is also allowed for statistical purpose.
6. In the result, both the appeals of the assessee are allowed for statistical purpose.

Order pronounced in the open court on 19 /01/2026 at the time of hearing

**Sd/-
(ARUN KHODPIA)
ACCOUNTANT MEMBER**

**Sd/-
(PAWAN SINGH)
JUDICIAL MEMBER**

Mumbai; Dated 19/01/2026
Biswajit

Copy of the order forwarded to:

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

By Order

Assistant Registrar
ITAT, Mumbai