

**IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT BENCH, SURAT**

**BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT
Ms SUCHITRA KAMBLE, JUDICIAL MEMBER**

ITA Nos.820 to 823/Srt/2025
(Assessment Years: 2011-12 to 2014-15)

Jigar Thakorbhai Dave, 29-30 Prashant Nagar-1, Palanpur Jakatnaka, Rander Road, Adajan, Surat-395009. [PAN : ADIPD9231 F]	Vs.	Income Tax Officer, Ward-1(3)(7), Surat.
(Appellant)	..	(Respondent)
Appellant by :	Shri P M Jagasheth, AR	
Respondent by:	Shri Ajay Uke, Sr. DR	
Date of Hearing	20.01.2026	
Date of Pronouncement	23.01.2026	

ORDER

PER DR. B.R.R. KUMAR, VICE-PRESIDENT:-

The captioned appeals have been filed by the Assessee against the separate orders, all dated 10.07.2025, passed by the Ld. Commissioner of Income-Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi ("the CIT(A) in short), under Section 250 of the Income-tax Act, 1961 ("the Act"), relating to the Assessment Years 2011-12 to 2014-15.

Since the issues raised in all the appeals are identical and common, the same is being heard together for the purpose of convenience and brevity. We are taking grounds of appeal in ITA No.820/Srt/2025 for the purpose of adjudication.

ITA No.820/Srt/2025 for A.Y 2011-12

2. The assessee has raised the following grounds of appeals:

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 reopening the assessment u/s 147 of the act and issuing notice u/s 146 of the Income Tax 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 erred in confirming the action of the Assessing Officer in making addition of Rs. 5,79,000 on account of cash deposited in bank account treated as alleged unexplained cash*
3. *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.2,28,62,770/- on account of credits in bank account through cheques/RTGS/Clearing etc. treated as alleged unexplained credits*
4. *On the facts and in the circumstances of the case as well as the law on the subject, the learned Assessing Officer has erred in initiating penalty proceedings u/s 271(1)(c) of the Income Tax Act, 1961.*
5. *it is therefore prayed that the above addition may please be deleted as learned members of the tribunal may deem it proper.*
6. *Appellant craves leave to add, alter or delete any ground(s) either before or in the course of the hearing of the appeal.*

3. The facts of the case are that assessee is a non-filer and as per the information available with the revenue with the regard to the cash deposits of Rs.5,79,000/- in the bank account. The case of the assessee has been reopened and all the credits in the bank account were treated as unexplained income of the assessee, which has been confirmed by the Ld.CIT(A). Before the revenue authorities as well as before us during the hearing, the assessee has consistently maintained the stand that the bank account was misused by one Shri Mayur Barwaliya, Proprietor of Shree Impex, and that all the monies came from Shree Impex and were withdrawn by Shri Mayur Barwaliya. To buttress his argument, the assessee submitted the entire details of the bank account, which are reproduced as under:

Bank account at page no. 3 year-wise.

A.Y	ADDITION	GROSS BANK CREDIT	CHQ	NET BANK CREDIT
2011-12	2,34,46,670	2,34,46,670	5,50,000	2,28,96,670
2012-13	57,13,000	57,13,000	0	57,13,000
2013-14	79,50,000	79,50,000	0	79,50,000
2014	61,32,218	61,32,218	17,31,101	44,01,117

4. On the other hand, the Ld. DR objected to the argument of the assessee and submitted that since the bank account belongs to the assessee, the deposits therein were rightly added to the income of the assessee.

5. We have gone through the record and find that the assessee has also submitted before the Investigation Wing that he merely acted as an account opener and that the entire cash credits in the bank account originated from Shree Impex, which amounts were withdrawn by Shri Mayur Barwaliya. These facts are not in dispute. On going through the details of bank statement, it can be found that all the credits have come from Shree Impex and have been withdrawn in cash. Even if it is considered that the amounts belong to the assessee, the pattern of deposits and withdrawals clearly indicates that the assessee has acted as a conduit. The account was being used by Shri Mayur Barwaliya, who is engaged in the business of machinery parts, by issuing cheques from his concern to the assessee's account and withdrawing the same thereafter. The careful examination of the facts clearly proves that the main beneficiary of the account is Shri Mayur Barwakiya of Shree Impex and the assessee has acted only as a conduit. Therefore, the amounts credited in the bank account cannot be treated as unexplained income of the assessee. However, since the assessee has permitted the use of his bank account and facilitated the transactions, he is also a beneficiary to a limited extent. Accordingly, commission income @ 0.5% of the total turnover routed through the bank account is required to be estimated and brought to tax in the hands of the assessee.

6. In the result, the appeal of the assessee is partly allowed.

7. Since the facts and issues are identical for other assessment years, the above decision shall apply *mutatis mutandis* to all the appeals. Thus, all the appeals filed by the assessee are partly allowed in the above terms.

The order is pronounced in the open Court on 23.01.2026.

**Sd/-
(SUCHITRA KAMBLE)
JUDICIAL MEMBER**

**Sd/-
(DR. B.R.R. KUMAR)
VICE-PRESIDENT**

(True Copy)

Surat; Dated 23.01.2026

**mv

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

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

आदेशानुसार/ BY ORDER,

सहायक पंजीकार (Asstt. Registrar)
आयकर अपीलीय अधिकरण
ITAT, Surat