

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI "D" BENCH : MUMBAI

BEFORE SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER
AND
MS. KAVITHA RAJAGOPAL, JUDICIAL MEMBER

ITA No. 7230/Mum/2025
Assessment Year : 2018-19

Ravinder Singh Sethi, 19, Neeraj Industrial Estate, Mahakali Caves, Andheri (East), Mumbai-400093. PAN : AEGPS5592H	vs.	Deputy Commissioner of Income Tax-24(1), Piramal Chambers, Mumbai-400012.
(Appellant)		(Respondent)

For Assessee :	Shri Bhupendra Shah
For Revenue :	Shri Annavarani Kosuri

Date of Hearing :	21-01-2026
Date of Pronouncement :	27-01-2026

ORDER

PER VIKRAM SINGH YADAV, A.M :

This is an appeal filed by the assessee against the order of the Learned Commissioner of Income Tax (Appeals)-National Faceless Appeal Centre (NFAC), Delhi [‘Ld.CIT(A)’], dated 30-10-2025, pertaining to Assessment Year (AY) 2018-19.

2. Briefly the facts of the case are that the assessment in this case was completed u/s. 143(3) r.w.s. 143(3A) & 143(3B) of the Income Tax Act, 1961 (‘the Act’) vide order dt. 15-02-2021, wherein the AO held that the book results so declared by the assessee cannot be relied upon on account

of various discrepancies as detailed in the assessment order and thereby invoking the provisions of section 44AD of the Act, the business profits were determined @8% of the returned turnover and an amount of Rs. 1,43,08,798/- was brought to tax under the head 'income from business and profession' and the assessed income was determined at Rs.4,60,73,300/-. The assessee carried the matter in appeal before the Ld.CIT(A), who has since confirmed the order of the AO and against the said order, the assessee is in appeal before us.

3. During the course of hearing, the Ld.AR drawn our reference to the assessment order and it was submitted that during the Covid period, the assessment proceedings were completed and though the assessee has tried filing the necessary information and documentation, however, the same were not fully considered and appreciated by the AO and, the AO has estimated the profits invoking the provisions of section 44AD of the Act. In this regard, it was submitted that the AO has initially issued a show cause dt. 22-01-2021, which was responded to by the assessee on the same date and thereafter, the draft assessment order was issued on 09-02-2021 and in response, the assessee filed its submissions on 11-02-2021 and thereafter, another submission was filed on 13-02-2021. However, the AO without taking into consideration the detailed submissions filed during the assessment proceedings has estimated the business profits in the hands of the assessee, disregarding the results as declared in the audited financial statements. It was submitted that the said fact was again reiterated and detailed submissions were filed before the Ld.CIT(A). However, the Ld.CIT(A) has summarily dismissed the assessee's submissions, holding that the AO has provided more than adequate opportunities to the assessee. It was further submitted that given that the assessee has filed the necessary information and documentation which has not been

considered by the AO as well as by the Ld.CIT(A), in the interest of justice, the matter may be remitted to the file of the AO for fresh examination/verification.

4. The Ld.DR has been heard, who has not raised any specific objection where the matter is remitted to the file of the AO.

5. We have heard the rival contentions and perused the material available on record. In view of the limited prayer so made by the Ld.AR on behalf of the assessee which has not been seriously contested by the Ld. DR, we are of the considered opinion that in the interest of justice and fair play, the assessee should be granted one more opportunity to represent his case before the AO. Consequently, we deem it fit and proper to set aside the impugned order and restore the matter to the file of the AO for necessary examination and for deciding the same afresh as per law, after providing reasonable opportunity to the assessee. We also direct the assessee to fully co-operate with the AO for expeditious disposal of the matter and is at liberty to file necessary explanation/documentation as so advised.

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

Order pronounced in the open court on 27-01-2026

Sd/-

[MS. KAVITHA RAJAGOPAL]
JUDICIAL MEMBER

Mumbai, Dated: 27-01-2026

TNMM

Sd/-

[VIKRAM SINGH YADAV]
ACCOUNTANT MEMBER

Copy to :

- 1) The Appellant
- 2) The Respondent
- 3) The CIT concerned
- 4) The D.R, ITAT, Mumbai
- 5) Guard file

By Order

Dy./Asst. Registrar
I.T.A.T, Mumbai