



IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT

**BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER
AND
DR. DINESH MOHAN SINHA, JUDICIAL MEMBER**

**आयकरअपीलसं./ITA No. 677/RJT/2025
Assessment Year: (2017-18)**

Govindbhai Ram Village- Moradiya, Taluka- Sutrapada, Distt- Gir Somnath- 362268, Gujarat	Vs.	Income Tax Officer, Ward 4, Veraval, Distt- Junagadh- 362265
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: CITPS6683Q		
(Appellant)		(Respondent)

Appellant by : Shri Brijesh Parekh, Ld. AR
Respondent by : Shri Abhimanyu Singh Yadav, Ld Sr. DR
Date of Hearing : 19/01/2026
Date of Pronouncement : 28 /01/2026

आदेश/ORDER

Per DR. Dinesh Mohan Sinha, JM:

Captioned appeal filed by the assessee, pertaining to Assessment Year (AY)-2017-18, is directed against the order passed by the National Faceless Appeal Centre (NFAC) vide order dated 22.08.2025, which in turn arise from assessment order passed by Income Tax Department/Assessing Officer under section 144 of the Income Tax Act, 1961 vide order dated 29.11.2019.



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

- 1. The order of the Ld. CIT(A) is bad in law and void ab initio, having been passed in violation of principles of natural justice.*
- 2. The Ld. CIT(A) erred in not providing the appellant an opportunity to rebut or comment upon the AO's Remand Report before relying upon it while deciding the appeal.*
- 3. The Ld. CIT(A) failed to properly admit and consider additional evidences submitted under Rule 46A of the Income Tax Rules, 1962.*
- 4. The Ld. CIT(A) has erred in law and on facts by merely reproducing and relying upon the AO's remand report without any independent verification or reasoning.*
- 5. The Ld. CIT(A) erred in upholding the addition of ₹20,18,500/- u/s 69A r.w.s. 115BBE despite the appellant satisfactorily explaining the source of cash deposits.*
- 6. The Ld. CIT(A) erred in confirming the ex-parte assessment u/s 144 without considering the genuine cause for non-compliance.*
- 7. The levy of interest u/s 234A, 234B and 234C and initiation of penalty u/s 271AAC, 271F. and 272A(1)(d) are consequential and liable to be deleted.*
- 8. The appellant craves leave to add, alter, amend or withdraw any of the above grounds of appeal before or during the hearing.*

3. Facts of the case:

The appellant is an individual engaged in agricultural activities. For A.Y. 2017-18, as the income was below the basic exemption limit, no return of income was filed under section 139 of the Act. During the demonetisation period, the appellant deposited 20,18,500/- in Axis Bank account. The Assessing Officer issued notices to the assessee, no reply to notices due to lack of awareness about e-assessment procedures. Assessment was completed ex-parte u/s 144 of the Act 1961, making an addition of 20,18,500/- as unexplained money u/s 69A r.w.s. 115BBE of the Act .



4. The assessee filed an appeal before the CIT (A), that Ld. CIT(A) has upheld the order of the AO dated 19.11.2019.

5. The assessee is in appeal before us against the impugned order of Ld. CIT(A) dated 22.08.2025.

5.1. The Ld. AR of the assessee prayed for an opportunity to explain his case before the lower authority.

5.2. On the contrary Ld. DR of the revenue relied on the order of Ld. CIT(A) and having no objection with the prayer of the Assessee.

6. We have perused all the relevant material available on record and note that The AO has made an addition on account of an unexplained money of Rs 20,18,500/- under section 69A of the Act. It was pleaded by the assessee because of lack of awareness about e-proceedings the assessee could not comply with the notices and resulted into exparte assessment. We further note that in the appellate proceeding the Ld. CIT (A) has considered the remand report and its findings. We note that upon perusal of Ld. CIT (A) order we find that no opportunity was given to the assessee to comment on the remand report. The Ld. CIT (A) has dismissed the appeal of the assessee. We are of the view that the order of Ld. CIT(A) suffers from violation of principle of natural justice.

7. Considering the above facts and circumstances of the case we set aside the the order of Ld. CIT(A) and restore back the matter to the file of AO for fresh adjudication of the matter after giving due opportunity of hearing to the assessee. The assessee is also directed to ensure the



participation in the hearing as and when it may be fixed by AO. AO shall be at liberty to pass appropriate order in accordance with law.

8. In the result, the appeal of the assessee is allowed for statistical purpose.

Order is pronounced in the open court on 28/01/2026

**Sd/-
(Dr. Arjun Lal Saini)
Accountant Member**

**Sd/-
(Dr. Dinesh Mohan Sinha)
Judicial Member**

Rajkot
दिनांक/Date: 28/01/2026
Copy of the Order forwarded to

(True Copy)

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

By order

Assistant Registrar/Sr. PS/PS
ITAT, Rajkot