

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "SMC", PUNE

BEFORE SHRI MANISH BORAD, ACCOUNTANT MEMBER
AND
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1651/PUN/2025
निर्धारण वर्ष / Assessment Year : 2016-17

Suhas Digambar Chinchkar, B- 1005, Bhoomi Allium, Near Kokne Chowk, Rahatni, Pune- 411017. PAN : AFSPC4270R	Vs.	ITO, National Faceless Assessment Centre, Delhi.
Appellant		Respondent

Assessee by : Shri Ritvik Vatsyayan
Revenue by : Shri Milind Debaje (Virtual)

Date of hearing : 19.11.2025
Date of pronouncement : 10.02.2026

आदेश / ORDER

PER VINAY BHAMORE, JM:

This appeal filed by the assessee is directed against the order dated 23.06.2025 passed by Ld. CIT(A)/NFAC for the assessment year 2016-17.

2. The appellant has raised the following grounds of appeal :-

- "1. The CIT(A) erred in confirming the addition of ₹5,00,000 under section 69 of the Income Tax Act, 1961, without providing the appellant an opportunity to rebut or cross-examine the third-party material used against him. The addition is based on a document allegedly impounded during a survey on M/s Swastik*

Trade Pvt. Ltd., and the appellant was never shown the document nor provided a chance to offer explanation.

2. *The appellant had declared income under section 44AD and was not required to maintain books of account; the source of investment was fully explained through banking transactions, gifts, and a housing loan. No cash transaction over and above the agreed consideration was ever made by the appellant; the entire amount was paid through banking channels.*
3. *The reliance on third-party loose documents without any independent verification or opportunity for cross-examination is contrary to law and against the principles of natural justice. The order is not sustainable and deserves to be quashed in full.”*

3. Facts of the case, in brief, are that the assessee is an individual deriving income from courier service agency and photocopy centre and has furnished his return of income for the year under consideration on 05.01.2017 declaring total income of Rs.3,81,130/- u/s 44AD of the Act. On the basis of information received from the ADIT (Inv.), Unit-2, Nashik that the assessee has paid cash of Rs.5,00,000/- over and above the agreement value to M/s. Swastik Trade Private Limited for the purchase of Flat No.B-1005 the case of the assessee was reopened u/s 147 of the IT Act. The above flat was purchased vide agreement dated 27.06.2017. As per the information that the flat was booked by the assessee by making cheque payment of Rs.10,00,000/- and cash advance of Rs.5,00,000/- during financial year 2015-16. Accordingly, notice u/s 148 of the IT Act was issued after obtaining approval u/s 151 of

the IT Act. The assessee in reply submitted that no such cash was paid by him. Not being satisfied with the submission and reply of the assessee, the Assessing Officer completed the assessment u/s 147 r.w.s. 144B of the IT Act and vide order dated 19.03.2022 determined total income at Rs.8,81,130/- as against the income of Rs.3,81,130/- returned by the assessee. The above assessed income includes addition of Rs.5,00,000/- as unexplained investment u/s 69 of the IT Act.

4. Being aggrieved with the above assessment order, the assessee preferred an appeal before Ld. CIT(A)/NFAC. After considering the reply / submissions of the assessee, Ld. CIT(A)/NFAC dismissed the appeal filed by the assessee.

5. It is the above order against which the assessee is in appeal before the Tribunal.

6. We have heard Ld. counsels from both the sides and perused the material available on record including the case laws furnished by the assessee. In this regard, we find that it is the claim of the assessee that the Assessing Officer has not brought any document or evidence on record which proves that the assessee has paid an amount of Rs.5,00,000/- to the builder. It is also the claim of the assessee that no specific date has been mentioned on which alleged

payment was made by the assessee. It was also the contention of the assessee that the addition is based on a document allegedly impounded during survey on the builder and the assessee was never shown the document neither he was provided a chance to offer any explanation nor an opportunity to cross examine the third party material used against him was provided to the assessee on the basis of which the addition was made. In support of all these contentions, the assessee relied on judgement passed by Hon'ble Supreme Court in the case of CIT vs. P. V. Kalyanasundaram, [2007] 294 ITR 49 (SC) and CIT vs. Ashvani Gupta [2010] 322 ITR 396 (Delhi).

7. Considering the totality of the facts of the case, we find force in the above arguments of Ld. counsel of the assessee and accordingly, we deem it appropriate to set-aside the order passed by Ld. CIT(A)/NFAC and restore the matter back to the file of the Assessing Officer with a direction to reframe the assessment afresh after providing reasonable opportunity of hearing to the assessee. The assessee is also hereby directed to respond to the notices issued by the Assessing Officer in this regard and to produce relevant documents/evidences/submissions, if any, in support of its claim without taking any adjournment under any pretext, otherwise the Assessing Officer shall be at liberty to pass appropriate orders as

per law. Thus, the grounds of appeal raised by the assessee are allowed for statistical purposes.

8. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced on this 10th day of February, 2026.

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 10th February, 2026.

Sujeet

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr.CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "SMC" बेंच, पुणे / DR, ITAT, "SMC" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Assistant Registrar
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.