

**IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT BENCH, SURAT
BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT
Ms SUCHITRA KAMBLE, JUDICIAL MEMBER**

ITA No.734/Srt/2025
(Assessment Year: 2016-17)

Satish Shantilal Patel, E-2, Subhalaxmi Complex, City Light, Nr. Sahaj Super Store, Surat-395007. [PAN : AGXPP7849 P]	Vs.	Income Tax Officer, Ward-1(3)(5), Surat.
(Appellant)	..	(Respondent)
Appellant by :	Shri PM Jagasheth, AR	
Respondent by:	Shri Ajay Uke, Sr. DR	
Date of Hearing	23.01.2026	
Date of Pronouncement	17.02.2026	

ORDER

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

The captioned appeal has been filed by the Assessee against the order dated 04.06.2025 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 Year 2016-17.

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

1. 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 passing ex-parte assessment order U/s.144 of the Income Tax Act, 1961.

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.26,42,353/ on account of unsecured loan treated as alleged unexplained cash credit.

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. 16,80,542/ on account of difference between estimated net profit and net declared in the Return of Income.

4. 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 disallowing of loss of Rs.58,61,354/- of F and O trading.

5. 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.51,95,569/ on account of @1 Percent net profit estimated on F and O turnover of Rs.51,95,56,907/-.

6. 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 without considered submission and passed ex-parte order and hence the case may please be set aside and restored back to the CIT(A) or AO for sake of the interest of natural justice.

7. 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. 274 rws 271(1)(c) of the Income Tax Act, 1961.

8. It is therefore prayed that the above addition may please be deleted as leaned members of the tribunal may deem it proper.

9. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of the hearing of the appeal.

3. On perusal of the records, it is observed that the assessee was afforded several opportunities of hearing on 11.01.2021, 30.03.2021, 29.09.2021, 28.07.2023, 17.01.2025, 11.03.2025 & 17.04.2025 to furnish details, clarifications, and explanations to substantiate the source of unexplained money. However, despite being granted multiple opportunities, the assessee remained non-compliant and failed to furnish

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the requisite details or explanations before the Ld. CIT(A). Consequently, the Ld. CIT(A), based on the material available on record, upheld the action of the Assessing Officer and dismissed the appeal of the assessee *ex parte*. We also find that the assessee failed to furnish the source of cash deposits even before the Assessing Officer. Before us, the Ld. Counsel for the assessee prayed that, given an opportunity, all necessary details, clarifications, and explanations would be furnished to the Revenue authorities. Hence, in the interest of justice, we set aside the matter to the file of the **Assessing Officer for *de novo* assessment**. The assessee shall submit all the relevant bank statement/evidence/document before the Assessing Officer and comply with the notices issued by the revenue authorities without seeking any unnecessary adjournments.

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

The order is pronounced in the open Court on 17.02.2026.

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

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

(True Copy)

Surat; Dated 17.02.2026

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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