

IN THE INCOME TAX APPELLATE TRIBUNAL
"SMC" BENCH PANAJI

BEFORE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER

I T A. No.36/PAN/2026

(A.Y. 2017-18)

Sandeep Vishnu Redekar, H.no.103,Daddi,Tal-Hukkeri, Belgavi-591254, Karnataka.	Vs .	I T O Ward(1), Dr Ghogeri Building, Belgaum Road, Gokak-591307, Karnataka.
PAN: AMWPR8609J		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

Assessee by	Shri.Swapnil Patil.AR
Revenue by	Shri.Sanket Deshmukh.Sr.DR

सुनवाई की तारीख/Date of Hearing	18.02.2026
घोषणा की तारीख/Date of Pronouncement	20.02.2026

ORDER

PER PAVAN KUMAR GADALE, JM:

The appeal is filed by the assessee against the order of ADDL/JCIT(A) passed u/sec 143(3) and u/sec 250 of the Act. The assessee has raised the grounds of appeal challenging the ex-parte order of the CIT(A) sustaining the addition of commission and unexplained money u/sec69A of the Act made by the Assessing Officer.

2. The brief facts of the case are that, the assessee is engaged in the business of dealing with the sale of prepaid charges of mobile to customers. The assessee has filed the return of income for A.Y.2017-2018 on 14.09.2017 disclosing a total income of Rs.2,68,990/- and the case

was selected for limited scrutiny under the CASS and notice u/sec 143(2) and u/sec142(1) of the Act are issued.The Assessing Officer (AO) based on the information from ITBA data analytics NMS found that the assessee has made substantial cash deposits aggregating to Rs.22,65,701/- in the bank account maintained with Bank of Maharashtra during the demonetisation period in the F.Y2016-17.

3.Further the Assessing Officer has issued notice u/sec142(1) of the Act on the assessee to explain the sources of cash deposits made in the bank account and financial statements in respect of business transactions and there was partial compliance by the assessee. Whereas the A.O was not satisfied with the explanations and dealt on the provisions and judicial decisions and made addition of business income of Rs.4,43,633/- and unexplained cash deposits u/sec69A of the Act of Rs.16,23,900/- and assessed the total income of Rs.23,36,520/- and passed the order u/sec 143(3) of the Act dated 21.12.2019.

4. Aggrieved by the order, the assessee has filed an appeal before the CIT(A), whereas the CIT(A) has considered the grounds of appeal, statement of facts and findings of the AO and has issued notices of hearing and since there was no compliance by the assessee to notices. Therefore the CIT(A) considering the information on record has confirmed the action of the A.O and dismissed the appeal. Aggrieved

by the order of the CIT(A), the assessee has filed an appeal before the Hon'ble Tribunal.

5. At the time of hearing, the Ld.AR submitted that the CIT(A) has erred in confirming the action of the Assessing officer overlooking the information of the assessment proceedings and profit margin/commission of the assessee's business. Further the Ld.AR mentioned that the assessee has a good case on merits and shall substantiate with the material evidences and prayed for an opportunity to explain before the lower authorities. Per Contra, the Ld.DR supported the order of the CIT(A).

6. Heard the rival submissions and perused the material on record. Prima-facie the CIT(A) has passed the order considering the fact that there is no compliance nor appearance in spite of providing adequate opportunity of hearing and the notices were issued. Therefore, the CIT(A) was of the opinion that the assessee is not interested in prosecuting the appeal and dismissed the appeal ex-parte confirming the action of the assessing officer. The CIT(A) has issued the notices of hearing on 26.12.2020, 4.03.2025, 23.05.2025 and 1.09.2025 referred at Page 4 Para 4 of the order but there was no response and thus the Ld.CIT(A) came to a conclusion that the assessee is not interested and decided the appeal based on the information available on record. Whereas the assessee has raised grounds of appeal challenging the additions made by the Assessing Officer and there could be various

reasons for non appearance which cannot be overruled. Therefore, considering the facts, submissions and principles of natural justice, shall provide with one more opportunity of hearing to the assessee to substantiate the case with evidences and information subject to payment of cost of Rs.2,000/- to the Income Tax Department within one month from the date of receipt of the order and produce the proof of payment. Accordingly, set aside the order of the CIT(A) and remit the entire disputed issues to the file of the CIT(A) to adjudicate afresh on merits and the assessee should be provided adequate opportunity of hearing and shall cooperate in submitting the information for early disposal of appeal. And the grounds of appeal of the assessee are allowed for statistical purposes.

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

Order pronounced on 20/02/2026 as per rule 34(5) of the ITAT Rules 1963.

Sd/-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Panaji Dated: 20/02/2026

Copy of the Order forwarded to:

1. The Appellant,
2. The Respondent
3. The CIT(A)-
4. CIT
5. DR, ITAT,
6. Guard file.

//True Copy//

BY ORDER,
(Asstt. Registrar)ITAT,
Panaji

		Date	<u>Initial</u>	
1.	Draft dictated on			PS
2.	Draft placed before author			PS
3.	Draft proposed & placed before the second member			PS
4.	Draft discussed/approved by Second Member.			PS
5.	Approved Draft comes to the Sr.PS/PS			PS
6.	Kept for pronouncement on			
7.	File sent to the Bench Clerk			
8.	Date on which file goes to the AR			
9.	Date on which file goes to the Head Clerk.			
10.	Date of dispatch of Order.			
11.	Dictation Pad is enclosed			