

आयकर अपीलीय अधिकरण, सूरत न्यायपीठ, सूरत ।
IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT 'SMC' BENCH, SURAT
[conducted through Hybrid mode at Ahmedabad Bench]

श्री संजय गर्ग, न्यायिक सदस्य एवं
श्री नरेन्द्र प्रसाद सिन्हा लेखक सदस्य के समक्ष।

Before Shri Sanjay Garg, Judicial Member And
Shri Narendra Prasad Sinha, Accountant Member

आयकर अपील सं./ITA No.1021/SRT/2025
निर्धारण वर्ष /Assessment Year : 2017-18

Sachin Sales Agency 4-5, Shakti Chambers Saurashtra Colony Trikamnagar-2 L..H. Road Surat - 395 006	<u>बनाम/</u> <u>v/s.</u>	The ITO Ward-3(3)(1) Surat 395 001
स्थायी लेखा सं./PAN: ADAFS 5034 R		
(अपीलार्थी/ Appellant)		(प्रत्यर्थी/ Respondent)
Assessee by :	Shri Kushal Fofaria, CA	
Revenue by :	Shri Ajay Uke, Sr.DR	

सुनवाई की तारीख/Date of Hearing : 08/12/2025
घोषणा की तारीख /Date of Pronouncement: 27/02/2026

आदेश/ORDER

Per Sanjay Garg, Judicial Member:

The present appeal has been preferred by the assessee against the order of the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'CIT(A)'] dated 17/07/2025 passed u/s.250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for the Assessment Year (AY) 2017-18.

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

"1. The Ld. CIT(A) has erred in law and on facts of the case in deciding the appeal ex-parte resulting in violation of principles of natural justice.

2. The Ld. CIT(A) has erred in law and on facts of the case in dismissing the appeal without independently adjudicating the merits of the case resulting in violation of Section 250(6) of the Act.

3. The Ld. CIT(A) has erred in law and on facts of the case in confirming action of the Ld. AO in treating cash deposits in bank account of Rs. 5,00,000/- as unexplained cash credit u/s. 68 of the Act.

4. The Ld. CIT(A) has erred in law and on facts of the case in confirming invocation of provisions of S.115BBE of the Act and computation of tax at the rate of 77.25%.

5. Both the lower authorities have passed the orders without properly appreciating the facts and they further erred in grossly ignoring various submissions, explanations and information submitted by the appellant from time to time which ought to have been considered before passing the impugned order. The action of the lower authorities is in clear breach of law and Principles of Natural Justice and therefore deserves to be quashed.

6. The Appellant craves leave to add, amend, alter, edit, delete, modify or change all or any of the grounds of appeal at the time of or before the hearing of the appeal".

3. In this appeal, the assessee is aggrieved by the action of the Ld. CIT(A) in confirming the addition made by the Assessing Officer (AO) of Rs.5,00,000/- as unexplained cash credit u/s. 68 of the Act.

4. At the outset, the Ld. Counsel for the assessee has submitted that the impugned order of the Ld. CIT(A) is an ex-parte order, the relevant part of which is reproduced as under:

"4.5 This appeal has been filed by the appellant with a prayer to this office that the addition made is unjustified and that the same is required to be deleted. In such a situation, it is for the appellant to furnish submissions with relevant evidence(s), case laws, if any, to support the claim. The burden of proof is always on the person who makes the claim. In this case, it is the appellant who has made the claim by filing the appeal. Further, if the appellant claims that the addition made should be deleted, the burden is on the appellant to prove it why it should be deleted. Same is the position

in case of all allowances, deductions, exemptions, claims or loss etc. Since an appeal is nothing but the claim of the appellant that he has been unduly unjustifiably taxed or levied fee/interest, it is for the appellant to prove its case. The appellant has not availed any opportunity to do so.

4.6 From the conduct of the appellant as per the facts noted above, it is clear that the appellant does not wish to pursue the appeal. Even otherwise on the merits of it also, I do not see any reason to differ with the findings of the AO since no attempt has been made by the appellant to discharge its onus. Hence, respectfully following the above-mentioned judicial pronouncements and in view of the facts of the case, the appeal is hereby dismissed."

5. Aggrieved by the aforesaid order of the Ld. CIT(A), now the assessee is in appeal before us.

6. We have heard the rival contentions of the Ld. Representatives of the parties and gone through the record. The Ld. AR of the assessee has submitted that the notices sent by the Ld. CIT(A) through e-mail/online portal did not come to the notice of the assessee and, therefore, the assessee could not represent his case before the Ld. CIT(A). He has, further, stated that assessee has a fair case on merits. That the assessee may be given an opportunity to present his case before the Ld. AO.

7. Considering the above submission, we are of the view that the interests of Justice will be well served if the assessee be given an opportunity of hearing before the Ld. AO, however subject to payment of reasonable costs. We accordingly, set aside the impugned order of the Ld. CIT(A) and restore the matter to the file of the Ld. AO subject to deposit a cost of Rs.5,000/- in the Prime Minister's National Relief Fund. The assessee will furnish the evidence of deposit of the said amount before the Ld. AO, thereafter the Ld. AO will pass the assessment order afresh on merits in accordance with law.

8. In the result, the appeal of the assessee is treated as allowed for statistical purposes.

Order pronounced in the Open Court on 27 /02/2026.

**Sd/-
(Narendra Prasad Sinha)
Accountant Member**

**Sd/-
(Sanjay Garg)
Judicial Member**

अहमदाबाद/Ahmedabad, दिनांक/Dated 27/02/2026

टी. सी. नायर, व. नि. स. / T.C. NAIR, Sr. PS

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)- (NFAC), Delhi
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण , सूत /AR, ITAT, Surat/Ahmedabad.
6. गार्ड फाईल /Guard file.

आदेशानुसार/ BY ORDER,

सत्यापित प्रति //True Copy//

सहायक पंजीकार (Asstt. Registrar)
आयकर अपीलीय अधिकरण, ITAT, Surat/Ahmedabad