

**THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD "SMC" BENCH, AHMEDABAD**

Before Ms. Suchitra Kamble, Judicial Member

**ITA No. 2244/Ahd/2025
Assessment Year 2018-19**

Patel Mahendrabhai C. HUF, Laxmi Kutstation Road Bhadranborsad, Anand-388530, Gujarat PAN: AACHP3528C (Appellant)	Vs	The Income Tax Officer, Ward-1(3)(1), Petlad (Respondent)
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Assessee by: Ms. Amrin Pathan, A.R.

Revenue by: Shri Umesh Kumar Agrawal, Sr. D.R.

Date of hearing : 29-01-2026

Date of pronouncement : 10-04-2026

आदेश/ORDER

This is an appeal filed against the order dated 28-10-2025 passed by National Faceless Appeal Centre (NFAC), Delhi for assessment year 2018-19.

2. The grounds of appeal are as under:-

“Ex-parte Order:

1. The learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi [“CIT(A)”] erred in fact and in law in passing an ex-parte order u/s 250 of Income Tax Act, 1961 (“the Act”).

2. The learned CIT(A) erred in fact and in law in passing an ex-parte order without granting proper opportunity of being heard.

3. The learned CIT(A) erred in fact and in law in upholding the validity of the assessment order passed by the AO which was not valid and liable to be quashed.

Addition u/s 68

4. The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in making addition of Rs.24,87,349/- as unexplained cash credits u/s 68 of the Act.

5. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in making addition without giving proper opportunity of being heard to the Appellant.*

6. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in computing tax on the amount of Rs. 24,87,349/- u/s. 115BBE of the Act.*

Disallowance of Expenses

7. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in disallowing expenses of Rs.5,61,238/- being expenditure incurred wholly and exclusively for the purpose of agricultural income.*

8. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in making disallowance without giving proper opportunity of being heard to the Appellant.*

Addition u/s 69C

9. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in making addition of storage expenditure of Rs.4,00,000/- as unexplained expenditure u/s 69C of the Act.*

10. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in making addition u/s 69C despite of the fact that the Appellant had not incurred any storage expenditure.*

11. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in making addition without giving proper opportunity of being heard to the Appellant.*

12. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in computing tax on the amount of Rs. 4,00,000/-u/s. 115BBE of the Act.*

Other Grounds:

13. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in charging interest u/s. 234B of the Act.*

14. *The learned CIT(A) erred in fact and in law in confirming the action of the learned AO in initiating penalty u/s 271AAC of the Act.*

15. *Your Appellant craves the right to add to or to alter, amend, substitute, delete or modify all or any of the above grounds of appeal.”*

3. The assessee has filed return of income for assessment year 2018-19 on 24-07-2018 declaring total income of Rs. 430/- under normal provisions of Income Tax Act, 1961 as well as declared book profit u/s. 115JC at Rs. 430/-. The return of income was processed under limited scrutiny in respect of verification of agricultural income and statutory

notices were issued to the assessee. In response to the statutory notices, the assessee furnished its submissions vide letter dated 26-11-2020. After taking into account, the assessee's submissions, the Assessing Officer made addition of Rs. 24,87,349/- as unexplained on cash credit u/s. 68 and addition for Rs. 3,336/- as income from other sources.

4. Being aggrieved by the assessment order, the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. The ld. A.R. submitted that the CIT(A) has passed ex-parte order without giving opportunity to the assessee to contest the issue before the CIT(A).

6. The ld. D.R. relied upon the assessment order and the order of the CIT(A).

7. I have heard both the parties and perused all the relevant material available on record. It is pertinent to note that the Assessing Officer despite giving all the details has not taken into account the details related to agricultural income and in fact the order of the CIT(A) also has not taken cognizance of the said details. Therefore, it will be appropriate to remand back this matter to the file of the Assessing Officer for proper verification of the details and adjudicate the issues on merits as per Income Tax Statutes. Needless to say, the assessee be given opportunity of hearing by following principles of the natural justice.

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

Order pronounced in the open court on 10-04-2026

Sd/-
(Suchitra Kamble)
Judicial Member

Ahmedabad : Dated 10/04/2026

a.k.

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलीय अधिकरण,
अहमदाबाद