

**IN THE INCOME TAX APPELLATE TRIBUNAL,
MUMBAI BENCH "E", MUMBAI**

**BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER
AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER**

**ITA No.3266/M/2024
Assessment Year: 2017-18**

**ITA No.3267/M/2024
Assessment Year: 2015-16**

**&
ITA Nos.3268 & 3269/M/2024
Assessment Year: 2014-15**

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| M/s. Krishna Fashion World 803/804, T-6, Godrej Prime Colony, Sahakar Nagar No.2, Shell Colony, Chembur, Mumbai-400071. PAN: AAJFK2799R | Vs. | Income Tax Officer, Ward 22(2)(1), Room No.312, Piramal Chambers, Lalbaug, Mumbai-400012. |
| (Appellant) | | (Respondent) |

Present for:

Assessee by : Shri Khusiram D. Jadhvani, A.R. a/w
Ms. Prajakta Arote, A.R.

Revenue by : Shri Biswanath Das, D.R
Shri P.D. Chougule, D.R.

Date of Hearing : 08.08.2024

Date of Pronouncement : 23.08.2024

O R D E R

Per : Narender Kumar Choudhry, Judicial Member:

These appeals have been preferred by the Assessee against the orders dated 24.05.2024 & 29.04.2024 impugned herein, passed by the National Faceless Appeal Center (NFAC)/ Ld. Commissioner of Income Tax (Appeals) (in short Ld. Commissioner) under section 250

of the Income Tax Act, 1961 (in short 'the Act') for the A.Y. 2014-15, 2015-16 & 2017-18.

2. The impugned orders involved in these appeals are ex-parte and therefore all the appeals under consideration were heard simultaneously and are being disposed of by this common order by considering ITA No.3268/M/2024 as a lead case and result of the same shall apply mutatis mutandis to all the appeals under consideration.

3. Coming to **ITA No.3268/M/2024**, we observe that vide assessment order dated 22.12.2018 u/s 144 r.w.s 147 of the Ac, the Assessing Officer (AO) ultimately treated the amount of Rs.8,67,56,098/- (*Rs.5,25,46,135/- as loan given to various parties/entities and Rs.3,42,09,963/- cash deposited in its bank account with ICICI Bank Ltd.*) as income from other sources and added the same in the income of the Assessee.

4. The Assessee being aggrieved, though challenged the aforesaid addition before the Ld. Commissioner, however, in spite of affording opportunities neither made any compliance nor filed any reply/documents. Therefore, in the constrained circumstances, the Ld. Commissioner affirmed the aforesaid additions by dismissing the appeal of the Assessee.

5. The Assessee, being aggrieved, is in appeal before us. We have heard the parties and perused the material available on record. The Assessee by way of **Ground No.3** has claimed that the Ld. Commissioner before forming adverse inference on the basis of finding given by the Assessing Officer (AO) in the assessment order ignoring the contention raised by the Assessee in statement of facts filed along with appeal memo, ought to have remanded the matter to the AO to hold/conduct further enquiry. The Assessee further claimed that it went through bad times in various civil and criminal proceedings in the

last 10 years which also caused forceful acquisition or possession of business premises, business stock and business asset lying at business premises wherein various records and evidences were also used to be kept and preserved, by one of business creditor with whom the Assessee had dispute related to financial transactions. The Assessee along with their representative had been frequently informing the AO qua unprecedented situation by sharing the details relating to litigation, copy of Court documents and FIR filed with the police department and therefore the Assessee may be provided one more opportunity to represent its case, by remanding the case to the file of the Ld. Commissioner for decision afresh on merits.

6. We by giving thoughtful considerations to the peculiar facts and circumstances of the case and the Ground No.3 which pertains to violation of principle of natural justice as alleged by the Assessee, deem it appropriate to remand the instant case to the file of the Ld. Commissioner for the just decision of the case and for the ends of substantial justice.

7. Thus, the case is remanded to the file of Ld. Commissioner for decision afresh, suffice to say by affording reasonable opportunity to the Assessee to substantiate its claim and further by calling remand report from the AO, if so desires. The Assessee is also directed to cooperate with the appellate proceedings and to file the relevant submissions/documents which would be essential and required by the Ld. Commissioner for proper adjudication of the case. We clarify that in case of further default the Assessee shall not be entitled for any leniency.

8. Consequently the appeal i.e. ITA No.3268/M/2024 filed by the Assessee stands allowed in the aforesaid terms for statistical purposes.

9. In the result, in view of our decision in ITA No.3268/M/2024, all the appeals filed by the Assessee are allowed for statistical purposes in the same terms.

Order pronounced in the open court on 23.08.2024.

**Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER**

**Sd/-
(NARENDER KUMAR CHOUDHRY)
JUDICIAL MEMBER**

* Kishore, Sr. P.S.

Copy to: The Appellant
The Respondent
The CIT, Concerned, Mumbai
The DR Concerned Bench

//True Copy//

By Order

Dy/Asstt. Registrar, ITAT, Mumbai.