

IN THE INCOME TAX APPELLATE TRIBUNAL  
Mumbai "E" Bench, Mumbai.

Before Smt. Kavitha Rajagopal (JM)  
& Shri Omkareshwar Chidara (AM)

I.T.A. No. 4294/Mum/2024 (A.Y. 2016-17)

M/s. Topzone Mercantile Company LLP 8 <sup>th</sup> Floor, Piramal Tower Ganpatrao Kadam Marg Lower Parel Mumbai-400 013.  PAN : AAGFT9070R  (Appellant)	Vs.	ACIT, Circle 21(3) Piramal Chamber Lalbagu Parel Mumbai-400012.  (Respondent)
--	-----	---

Assessee by	Shri Ronak Doshi
Department by	Shri Biswanath Das
Date of Hearing	14.11.2024
Date of Pronouncement	11.12.2024

ORDER

Per Omkareshwar Chidara (AM) :-

In the above cited appeal, the learned Assessing Officer (AO for short) made additions as follows while completing the assessment order :-

- a) Disallowance of payment towards relinquishment of rights by Piramal Enterprises Ltd. – Rs. 14 lakhs.
- b) Disallowance of management fees – Rs. 76,66,199/-
- c) Marketing support services – Rs. 9,20,489/-
- d) Disallowance of project expenses – Rs. 5,47,47,934/-
- e) Security retainer charges – Rs. 10,73,438/-
- f) Other expenses – Rs. 59,18,159/-

2. Aggrieved by the above additions, the appellant filed an appeal before the learned Commissioner of Income Tax (Appeals) [CIT(A) for short], who confirmed the above additions, as the appellant did not file the proper response to the notices issued u/s. 250 of the I.T. Act.

3. Aggrieved further by the order of the Ld. CIT(A), the appellant filed this appeal before the ITAT, Mumbai.

4. During the hearing proceedings before the Bench, the Ld. Authorised Representative (AR for short) of the appellant has stated that he was never given any opportunity to present submissions of the appellant before the Ld. CIT(A) and passed an ex-parte order. Ld. AR of the appellant has argued that National Faceless Appeal Centre- CIT(A) gave one opportunity during Covid period in 2020 and subsequently there was no correspondence and suddenly an order was passed by the Ld. CIT(A) in 2024 i.e. after four years of the initial notice given by National Faceless Appeal Centre. As there was no effective opportunity to present case, Ld. AR of the appellant argued that principles of natural justice are violated. It was further argued that there is no proper reasoning given by the lower authorities for making such huge additions and orders passed by them were very cryptic. In view of the above, ld. AR of the appellant submitted that all the additions should be deleted.

5. Ld. DR supported the orders of the Ld. AO and the Ld. CIT(A) and submitted that the appellant has not presented its case and hence orders were passed accordingly.

6. Heard both sides. From the order of the Ld. CIT(A), it is observed that all the additions made by the Ld. AO were confirmed without any reasoning and the orders were quite cryptic. Moreover, it is not proper to not to give any notice during interregnum period of four years. As the Ld. CIT(A) has confirmed all the additions made by Ld. AO without any basis or evidences, it is decided that all the issues are remitted to the file of the Ld. CIT(A) with a direction to him to examine all issues afresh and pass a speaking order after giving an effective opportunity to the appellant company. The appellant is directed to submit all his replies/explanations and cooperate with the Department in passing the appeal order at the earliest.

7. Appeal of the appellant is allowed for statistical purposes.

Order pronounced in the open court on 11<sup>th</sup> December, 2024.

Sd/-  
(Kavitha Rajagopal)  
Judicial Member

Sd/-  
(Omkareshwar Chidara)  
Accountant Member

Mumbai : 11.12.2024

Copy of the Order forwarded to :

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

//True Copy//

PS

BY ORDER,

(Assistant Registrar)  
ITAT, Mumbai