

IN THE INCOME TAX APPELLATE TRIBUNAL  
MUMBAI BENCH "D", MUMBAI

**BEFORE SHRI B.R. BASKARAN, ACCOUNTANT MEMBER AND  
SHRI ANIKESH BANERJEE, JUDICIAL MEMBER**

**ITA 6453/Mum/2024  
(Assessment Year 2017-18)**

<b>Shir Manish Damji Gala</b> C/13, Ishwar Niwas, Sikka Nagar, V.P. Road, Mumbai-400 004 <b>PAN :AEJPF0173K</b>	<b>vs</b>	<b>NFAC, Delhi</b>
<b>APPELLANT</b>		<b>RESPONDENT</b>

Assessee by : Letter filed  
Respondent by : Shri R.R. Makwana, Addl. CIT  
  
Date of hearing : 25/03/2025  
Date of pronouncement : 28/03/2025

**ORDER**

**Per Anikesh Banerjee (JM):**

Instant appeal by the assessee was filed against the order of the National Faceless Appeal Centre, Delhi (for brevity the "Ld. AO"), passed under section 250 of the Income-tax Act, 1961 (in short, 'the Act'), date of order 16-10-2024 for A.Y. 2017-18. The impugned order is emanated from the order of the Assessment Unit, Income-tax Department (for brevity the "Ld. AO"), order passed under section 147r.w.s 144 read with section 144B of the Act, date of order 28/05/2023.

2. When the appeal was called for hearing none was present on behalf of the assessee. We find that a number of opportunities were provided to the assessee for hearing of the appeal. However, considering the merit of the case, we proceed to dispose of the appeal *ex parte* qua for the assessee, after hearing the Ld.DR.

3. The assessment was concluded with an addition of Rs.60,25,000/- under Section 69A of the Act, pertaining to the cash loan received by the assessee. The assessment was framed under Sections 147 and 144, read with Section 144B of the Act. Aggrieved by the said assessment, the assessee preferred an appeal before the Ld. CIT(A), albeit with a delay in filing. The Ld. CIT(A), upon due consideration, condoned the delay and issued a notice of hearing to the assessee. However, as the assessee failed to respond to the notice, the Ld. CIT(A) proceeded to adjudicate the appeal *ex parte* and rendered a decision on the merits of the case.

4. We observe that the assessee has a substantial outstanding demand, and both the assessment and appellate orders have been passed *ex parte*. In the interest of natural justice, we believe that the assessee should be granted one more opportunity to properly present its case before the Ld. CIT(A).

However, as the assessee has failed to provide a satisfactory explanation for its non-compliance with the notices issued by the Ld. CIT(A), we are of the view that a cost should be imposed to emphasize the importance of adhering to income tax proceedings. Accordingly, we impose a cost of Rs.10,000/- (Rupees Ten Thousand only) upon the assessee, which shall be paid to the credit of the Income Tax Department within two months from the date of receipt of this order.

Subject to the payment of the aforesaid cost, which shall be duly verified by the Ld. CIT(A), all issues are remitted to the file of the Ld. CIT(A) for adjudication on merits. We do not express any opinion on the merits of the case to ensure the appellate procedure remains uninfluenced before the Ld. CIT(A). It is imperative that the assessee is afforded a reasonable opportunity of being heard. Furthermore, the assessee is expected to exercise due diligence in the appellate proceedings to facilitate the expeditious disposal of the appeal.

5. In the result, the appeal of the assessee bearing **ITA 6453/Mum/2024** is allowed for statistical purpose.

Order pronounced in the open court on 28<sup>th</sup> day of March 2025.

Sd/-

(B.R. BASKARAN)  
ACCOUNTANT MEMBER  
Mumbai, दिनांक/Dated: 28/03/2025  
Pavanan

sd/-

(ANIKESH BANERJEE)  
JUDICIAL MEMBER

**Copy of the Order forwarded to:**

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकर आयुक्त CIT
4. विभागीय प्रतिनिधि, आय.अपी.अधि., मुंबई/DR, ITAT,  
Mumbai
5. गार्डफाइल/Guard file.

//True Copy//

BY ORDER,

(Asstt. Registrar), **ITAT, Mumbai**