

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

Before Shri Rahul Chaudhary (JM) & Shri Omkareshwar Chidara (AM)

ITA No. 982/MUM/2025 (Assessment Year : 2022-23)

Janki Nipul Savla PO Box No. 33019-00600 Nairobi, Kenya C/o. Office No. 101, Jeevan Jyoti Acrcade, BCabin Naupada, Thane West Maharashtra-400 602.	Vs.	ITO Ward 4(2)(1) Room No. 632 6 th Floor C-41 to C-43 Kautilya Bhavan, BKC, Bandra East Mumbai-400 051.
PAN : GURPS1036P		
Appellant		Respondent

Assessee by	:	Shri Hemant Vora
Revenue by	:	Shri Krishna Kumar
Date of Hearing	:	12/06/2025
Date of pronouncement	:	27/06/2025

ORDER

Per Omkareshwar Chidara (AM) :-

The only ground raised by the appellant is that Ld. AO/DRP erred in making adhoc addition of Rs. 29,03,20,568/- under section 69 of the I.T.Act being unexplained investment in mutual funds and fixed deposits. Ld. AR of the appellant has mentioned that Ld. DRP erred in confirming the addition of Ld. AO without giving opportunity of being heard. The appellant has also contested the addition of Rs. 3,15,014/- on account of undisclosed income from short term capital gains from mutual funds.

2. From the assessment order, it is observed that the appellant is NRI based in Kenya/USA during period of consideration. Notices under section 142(1) and 143(2) of the I.T. Act were served upon the appellant through e-mail from time to time on ITBA portal. The Ld. AO has got information about various investments of appellant in Fixed Deposits and mutual funds and accordingly notice was issued to the appellant to explain source of the same. As no reply was submitted a final show-cause notice was issued by the Ld.

AO which says that in case of non-compliance of this notice, assessment would be completed under section 144 of Act as best judgment assessment on the basis of material available on record. As the appellant failed to comply with the notices dated 12.8.2023, 13.2.2024 and 24.2.2024 and a show-cause notice dated 21.3.2024 and no requisite details were furnished and hence the Ld. AO made addition under section 69 of the Act.

3. Aggrieved by the addition made by the Ld. AO, an appeal was filed before Ld. DRP. From the order of Ld. DRP, it is observed that there is no compliance by the appellant and hence all the additions made were confirmed by this first appellate authority.

4. Aggrieved by the addition of the Ld. AO as well appeal order of Ld. DRP, present appeal is filed before the Bench with grounds of appeal mentioned in first page of this order.

5. Case was fixed for hearing on 12.6.2025 and on that date Ld. AR of the appellant filed a paper book comprising of documents viz., ICICI bank statement, date-wise transaction report of mutual fund, capital gain statement to demonstrate all these deposits and investments were out of salary and savings of earlier years. Admittedly, all these evidences were not filed before the lower authorities.

6. Ld. DR has argued that the despite several notices issued by the Ld. AO and DRP, appellant remained non-compliant and hence additions made by the Ld. AO should be confirmed.

7. After hearing both sides and perusing the paper book filed by the appellant, it is decided to remit the matter back to the file of Ld. AO because all these documentary evidences were not filed before the Ld. AO/DRP. The Bench decided to give one more opportunity to appellant to explain the source of all these investments by taking a lenient view that the appellant was not residing in India during the period under consideration. In view of

the same, all the issues of investments, deposits and levy of short term capital gains are remitted to the file of Ld. AO for fresh consideration and passing a speaking order after giving effective opportunity to the appellant.

8. The appeal of appellant is allowed for statistical purposes.

Order pronounced in the open Court on 27/06/2025.

Sd/-
(RAHUL CHAUDHARY)
JUDICIAL MEMBER

Sd/-
(OMKARESHWAR CHIDARA)
ACCOUNTANT MEMBER

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent.
3. CIT
4. DR, ITAT, Mumbai
5. Guard file.

//True Copy//

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BY ORDER,
(Assistant Registrar)
ITAT, Mumbai