

**IN THE INCOME-TAX APPELLATE TRIBUNAL “G” BENCH,
MUMBAI**
BEFORE SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER
&
SHRI PRABHASH SHANKAR, ACCOUNTANT MEMBER

ITA No.840/MUM/2025
(A.Y. 2011-12)

Gagan Deep Singh J 8171, Rajouri Garden, New Delhi, Delhi – 110 027	v/s. बनाम	Income Tax Officer, Ward – 41(3)(1), Kautilya Bhavan, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No: AWNPS3425J		
Appellant/अपीलार्थी	..	Respondent/प्रतिवादी

Appellant by :	Shri Ashish A. Thakurdesai, AR
Respondent by :	Shri Swapnil Choudhary (Sr. AR)

Date of Hearing	07.10.2025
Date of Pronouncement	07.11.2025

आदेश / ORDER

PER PRABHASH SHANKAR [A.M.] :-

The present appeal arising from the appellate order dated 09.12.2024 is filed by the assessee against the order passed by the Learned Commissioner of Income-tax (Appeals)/National Faceless Appeal Centre, Delhi [hereinafter referred to as “CIT(A)”] pertaining to assessment order passed u/s. 144 of the Income-tax Act, 1961 [hereinafter referred to as “Act”] dated 11.12.2018 for the Assessment Year [A.Y.] 2011-12.



2. The grounds of appeal are as under:

1. *On facts, in circumstances of the case and in law, the learned Commissioner of Income Tax- Appeals, National Faceless Appeal Centre erred in dismissing the appeal without considering the submissions of the appellant on the income tax portal.*
2. *On facts, in circumstances of the case and in law, the learned Commissioner of Income Tax Appeals, National Faceless Appeal Centre ought to have held that reopening of assessment of the appellant is invalid in law.*
3. *On facts, in circumstances of the case and in law, the learned Commissioner of Income Tax Appeals, National Faceless 3 Appeal Centre ought to have held that learned assessing officer erred in passing order u/s 147 read with section 144 by making addition on different ground for which assessment was reopened.*
4. *On facts, in circumstances of the case and in law, the learned Commissioner of Income Tax Appeals, National Faceless Appeal Centre erred in confirming addition of Rs. 48,00,000/- by the Assessing Officer, as unexplained investment.*
5. *On facts, in circumstances of the case and in law, the learned Commissioner of Income Tax Appeals, National Faceless Appeal Centre erred in confirming addition of Rs.2,00,969/- by the Assessing Officer, as interest income on estimated basis.*
6. *On facts, in circumstances of the case and in law, the learned Commissioner of Income Tax Appeals, National Faceless Appeal Centre ought to have deleted interest charged of Rs. 12,41,480/-u/s 234A, and Rs. 12,97,260/- u/s 234B of the Income Tax Act, 1961.*

3. It was noticed by the Id.AO from the information available with the Department that the assessee had made investment to the tune of Rs.20,00,000/- in units of Mutual Funds, Rs.28,00,000/- in Time Deposits with Banking company and earned Income/Receipts of



Rs.2,00,969/- u/s 193, 194A, and 194H of the Act pertaining to the year under consideration. However, he had not filed return of income for A.Y. 2011-12. It was also noticed from the past returns that the assessee did not have creditworthiness to make such a huge transactions of Rs.48,00,000/- in the year. Hence, transactions to the tune of Rs.50,00,969/- remained unexplained and unaccounted for in the hands of the assessee. Accordingly, notice u/s 148 of the Act was issued/served. But, the assessee failed to reply to all of them. The assessment was made u/s 144 of the Act.

4. In the subsequent appeal, as noted by the Id.CIT(A) despite as many as six notices issued by him, none were complied. Therefore, the appeal was dismissed *in limine*.

5. Before us, the Id.AR has requested for sending the matter back to the AO for proper appraisal and adjudication with the assurance that the assessee would comply with the notices. The Id.DR objected stating that the assessee was habitual defaulter.

6. We find that the appellate order has also been passed in ex-parte manner on account of non-compliance by the assessee and none of the issues raised in the grounds of appeal involved have been adjudicated. Consequently, the Id.CIT(A) could not evaluate the points



of consideration so as to give his own decision on objective analysis of all relevant facts and circumstances of the case. However, it is equally important that it is a fundamental duty of the assessee to diligently pursue the appeal and comply with the notices and proceedings initiated by the Revenue authorities. The framework of the Act and the income tax proceedings rely heavily on the cooperation and active participation of the taxpayer. In the present case, the assessee failed to demonstrate even a minimal level of responsibility in monitoring the e-filing portal for updates and notices related to its appeal. Despite the issuance of multiple notices under section 250 of the Act by the Id.CIT(A), no response was made or explanation submitted.

7. Considering the entirety of the facts and the circumstances of the case and in the interest of principles of natural justice and fair play, we consider it appropriate to send the entire matter back to the file of the AO in the light of above discussion, granting one final opportunity to the assessee to advance the arguments and submissions before him, so as to provide details in connection with the merits of the case. Accordingly, in the substantial interest of justice, we set aside the appellate order and restore the entire matter back to the Id.AO for passing the assessment order *de novo* after allowing adequate



opportunity of hearing to the representatives of the assessee who is also directed to attend the assessment proceedings before the AO without fail and cooperate with him in furnishing relevant details etc as sought by him.

8. In the result, the grounds of appeal and the appeal filed by the assessee is **allowed for statistical purposes.**

Order pronounced in the open court on 07/11/2025.

Sd/-

SANDEEP SINGH KARHAIL

(न्यायिक सदस्य / JUDICIAL MEMBER)

Sd/-

PRABHASH SHANKAR

(लेखाकार सदस्य/ACCOUNTANT MEMBER)

Place: मुंबई/Mumbai

दिनांक /Date 07.11.2025

Lubhna Shaikh / Steno

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त / CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण DR, ITAT, Mumbai
5. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//
आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण/ ITAT, Bench, Mumbai.

