

**IN THE INCOME-TAX APPELLATE TRIBUNAL, MUMBAI "C" BENCH, MUMBAI
BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER AND
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER
ITA No. 6649/MUM/2025(AY: 2011-12)**

Paras Multiplex LLP 601, Orbit Plaza, New Prabhadevi Road, Prabhadevi, Mumbai-400025.	vs.	Income Tax Officer, Ward 21(2)(5) Room No. 107, 1 st Floor, Piramal Chambers, Lalbaug, Parel, Mumbai-400012.
PAN/GIR No: AAQFP2152C		
(Appellant)		(Respondent)

Appellant by	Shri Kapil Jain
Respondent by	Shri Virabhadra Mahajan, Sr. DR
Date of Hearing	24.12.2025
Date of Pronouncement	05.01.2026

ORDER

PER BIJAYANANDA PRUSETH, AM:

This appeal filed by the assessee emanates from the order passed under section 250 of the Income-tax Act, 1961 (in short, 'Act') by the learned Commissioner of Income-Tax, National Faceless Appeal Centre [in short, 'CIT(A), NFAC'], Delhi, dated 26.08.2025 for the Assessment Year 2011-12.

2. The grounds of appeal raised by the assessee are as under:

"1. On the facts and circumstances of the case the Ld CIT(A) faceless is not justified in passing the ex-parte appeal order without providing adequate opportunity to the appellant to represent the case.

2. On facts and circumstances of the case the Ld. A.O and Hon. CIT (A) has erred in law by re-opening the assessment proceedings u/s 147 in violation of express provisions of the Act.

3. Without prejudice to Ground No.1, On the facts and circumstances of the case the Ld AO is not justified in making an addition of Rs. 64,12,859/- under Section 69C of the Income tax Act, 1961 by disallowing the amount of contractual expenses incurred in the course of business and the same has been confirmed by the CIT (A)."

3. The facts of the case, in brief, are that the assessee e-filed its return of income on 23.09.2011 declaring total income of Rs. 4,520/-. Assessment u/s. 143 (3) was completed on 27.01.2014 accepting the returned income. Thereafter, the case was reopened and notice u/s. 148 of the Act was issued on 09.03.2017. After hearing the assessee, the AO disallowed contractual expenses on Rs. 64,13,859/- u/s. 69C of the Act and completed the assessment u/s. 143(3) r.w.s 147 on 30.12.2017 determining total income at Rs. 64,17,379/- as against returned income of Rs. 4,520/-. Aggrieved, the assessee filed appeal before CIT(A). The CIT(A) issued 10 notices u/s. 250 of the Act, but the assessee sought adjournment on four occasions. He did not file any reply in support of the grounds raised by it before the CIT(A). Hence, the CIT(A) observed that the appeal was liable to be dismissed. However, he has also decided the appeal dismissing the ground challenging validity of reopening u/s. 147 of the Act. He also confirmed the addition made by the AO of Rs. 64,12,859/- u/s. 69C of the Act. Aggrieved by the order of CIT(A), the appellant filed the present appeal before the Tribunal.

4. The Ld. AR of the appellant had challenged the ex-parte order of the CIT(A) and submitted that adequate opportunity of hearing was not provided to the assessee. He submitted that the assessee requested for adjournment but

sufficient time was not given to furnish the reply. In the interest of justice, the Id. AR requested to provide another opportunity so that the appellant can contest the additions on merit.

5. On the other hand, the learned Senior Departmental Representative (Sr. DR) submitted that the appellant was totality negligent and non-corporative before the CIT(A). He submitted that adequate opportunity was granted to the appellant which was not properly availed by the appellant. The CIT(A) also granted four adjournments, but nothing was submitted by the appellant. Therefore, the appeal is liable to be dismissed.

6. We have heard both parties and perused the materials available on record. We find that the appellant was issued 10 notices by the CIT(A) and on request of the appellant, the case was adjourned four times. Due to failure of the assessee to furnish relevant documents in support of the grounds raised in the appeal, the CIT(A) confirmed the disallowance of Rs. 64,12,859/- made by the AO u/s. 69C of the Act. Before us, the Id. AR requested that in the interest of justice, another opportunity may be granted to plead its case on merit. Though, the appellant was negligent and not serious in pursuing the appeal before the CIT(A), in the interest of justice and fair play, we consider it proper to remand the matter to the file of CIT(A) for decision afresh subject to payment of cost of Rs. 22,000/- to the credit of the 'Prime Minister's National Relief Fund' within 30 days from receipt of this

order. Subject to the above payment, the matter is restored to the file of CIT(A) for fresh adjudication after providing adequate and reasonable opportunity of hearing to the assessee. The assessee is also directed to be diligent and file necessary explanation and details as may be required by the CIT(A). Accordingly, the order of CIT(A) is set aside and the grounds are allowed for statistical purposes.

7. In the result, the appeal is allowed for statistical purposes.

Order is pronounced on 05.01.2026

Sd/-

(NARENDER KUMAR CHOUDHRY)
JUDICIAL MEMBER

Sd/-

(BIJYANANDA PRUETH)
ACCOUNTANT MEMBER

Anandi.Nambi(Steno)
MUMBAI

Date: 05.01.2026

Copy of the Order forwarded to:

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, MUMBAI
6. Guard File

By Order

Assistant Registrar
ITAT, MUMBAI