

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI "C" BENCH : MUMBAI

BEFORE SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER
AND
SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER

ITA No. 7512/Mum/2025
Assessment Year : 2017-18

Padmakar Krishnarao Nandekar, 401, Kapadia Chambers, JSS Road, Marine Lines, Mumbai-400002. PAN : AABPN5162H	vs.	DCIT-4(3)(1), Aayakar Bhavan, Mumbai-400020.
(Appellant)		(Respondent)

For Assessee :	Shri Rajesh R. Prasad Shri Padmakar Nandekar <i>(Assessee in person)</i>
For Revenue :	Shri Virabhadra Mahajan, Sr.DR

Date of Hearing :	02-02-2026
Date of Pronouncement :	09-02-2026

ORDER

PER VIKRAM SINGH YADAV, A.M :

This is an appeal filed by the assessee against the order of the Ld.ADDL/JCIT(A)-4, Kolkata ['Ld.CIT(A)'], dated 05-08-2025, pertaining to Assessment Year (AY) 2017-18.

2. At the outset, it is noted that there is a delay in filing the appeal as pointed out by the Registry. After hearing both the parties and perusing the facts placed on record, we find that there was reasonable cause for the delay in filing the present appeal and hence, the delay is hereby condoned and appeal is admitted for adjudication.

3. Briefly, the facts of the case are that the assessee filed his return of income declaring total income at Rs. 28,25,370/-. The case of the assessee was selected for scrutiny and notices u/s. 143(2) and 142(1) of the Income Tax Act, 1961 ('the Act') were issued calling for necessary information and documentation. In response to the notices, the assessee furnished copy of return of income, Balance Sheet, Profit & Loss Account and capital A/c. However, no supporting documentation/evidences were submitted in respect of claim of expenditure u/s. 57 of the Act. The AO accordingly disallowed expenditure of Rs. 44,32,622/- claimed by the assessee against interest income and commission income and same was brought to tax in the hands of the assessee. The assessee thereafter, carried the matter in appeal before the Ld.CIT(A), however, due to non-prosecution, the appeal of the assessee was dismissed and against the said order, the assessee is in appeal before us.

4. During the course of hearing, the Ld.AR submitted that the assessee has filed appeal on 11-01-2020 and thereafter, first notice was issued only on 21-07-2025 and the assessee was granted only seven days time to respond to the said notice and another notice was issued on 29-07-2025 and thereafter, the Ld.CIT(A) has proceeded and dismissed the appeal on account of non-prosecution. It was submitted that it was during the Covid period, the assessment proceedings were completed and thereafter even before the Ld.CIT(A), the assessee could not represent his case due to lack

of appropriate opportunity. It was submitted that the assessee wishes to place on record certain additional evidences which goes to the root of the matter in support of the claim of the expenses in respect of commission and interest income in terms of money lending license, registration with the Asst. Registrar of Money Lenders, copy of loan agreement entered into with various parties and the bank statements, evidencing the payment of expenses. It was accordingly submitted that the above evidences are vital for proper adjudication of the appeal and the same may be admitted and the matter may be remanded to the file of the AO for necessary verification.

5. The Ld.DR has been heard. It was submitted that the assessee has been non-complaint throughout the assessment proceedings before the AO as well as during the appellate proceedings before the Ld.CIT(A). At the same time, the Ld.DR fairly submitted that there is no finding on the merits of the disallowances so made by the AO and it was submitted that where the Bench so decide, the matter may be remanded to the file of the AO for necessary verification/examination.

6. After hearing both the parties and considering the material available on record and considering the fact that there is no findings on merits of the disallowances so made by the AO and the assessee has placed on record necessary documentation in support of his claim of expenses and has thus shown seriousness in prosecuting the matter, we are of the considered opinion that in the interest of justice, the assessee should be granted one more opportunity to submit additional documentation and to represent his case diligently. Consequently, we deem it fit and proper to set aside the impugned order and restore the matter to the file of the AO to consider the additional evidences and to decide the matter afresh as per law after providing reasonable opportunity to the assessee. We also direct

the assessee to fully co-operate with the AO for expeditious disposal of the matter and is at liberty to file necessary explanation / additional documentation as so advised.

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

Order pronounced in the open court on 09-02-2026

Sd/-
[SANDEEP SINGH KARHAIL]
JUDICIAL MEMBER

Sd/-
[VIKRAM SINGH YADAV]
ACCOUNTANT MEMBER

Mumbai,
Dated: 09-02-2026

TNMM

Copy to :

- 1) The Appellant
- 2) The Respondent
- 3) The CIT concerned
- 4) The D.R, ITAT, Mumbai
- 5) Guard file

By Order

Dy./Asst. Registrar
I.T.A.T, Mumbai