

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“A” BENCH, AHMEDABAD**

**BEFORE SHRI TR SENTHIL KUMAR, JUDICIAL MEMBER AND  
SHRI NARENDRA PRASAD SINHA, ACCOUNTANT MEMBER**

**ITA No. 2135/AHD/2025  
Assessment Years: 2013-14**

Pradeep Suganchand Kawdiya, C/O. Divyang Shah & Co. Chartered Accountants, 201, 2 <sup>nd</sup> floor, Devashish complex, Nr. Regenta, Central Antarim Hotel, Off CG Road, Ahmedabad, Gujarat - 380009 <b>[PAN – AGGPK6400Q]</b>	Vs.	Deputy Commissioner of Income Tax (DCIT), 3(1)(1), Ahmedabad – 380015
(Appellant)		(Respondent)
Assessee by	Shri Divyang Shah, AR	
Revenue by	Shri Kalpesh Rupavatia, SR-DR	
Date of Hearing	19.02.2026	
Date of Pronouncement	25.02.2026	

**ORDER**

**PER NARENDRA PRASAD SINHA, ACCOUNTANT MEMBER:**

This appeal is filed by the assessee against the order of National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as ‘CIT(A)’] dated 31.10.2025 for the Assessment Year (AY) 2013-14 in the proceedings u/s 147 r.w.s 144B of the Income Tax Act.

2. The brief facts of the case are that the assessee had filed his return of income for A.Y. 2013-14 on 31.04.2014 declaring total income of Rs.10,92,580/-. The case of the assessee was reopened on the basis of

information that he was a Director and holding 45% shares of M/s. Omkara Impex & Merchandise Pvt. Ltd. and had taken loan of Rs.1,26,57,030/- from the company which was outstanding. It further transpired that the said company had surplus of Rs.1,92,05,627/- in the reserve and surplus. Thus, the amount advanced to the Director was liable to be treated as deemed dividend u/s. 2(22)(e) of the Income Tax Act. In the course of assessment, the AO was not satisfied with the explanation of the assessee in this regard. He, therefore, worked out the deemed dividend of Rs.98,25,112/- u/s. 2(22)(e) of the Act and accordingly made the addition. The assessment was completed u/s. 147 r.w.s 144B of the Act on 25.09.2021 at total income of Rs.1,09,17,692/-.

3. Aggrieved with the order of the AO, the assessee had filed an appeal before the First Appellate Authority which was decided by the Ld. CIT(A) vide the impugned order and the appeal of the assessee was dismissed.

4. Now the assessee is in second appeal before us. The following grounds have been taken in this appeal.

1. *Whether, on facts and in circumstances of the case and in law, Ld. CIT(A) was erred in confirming the addition of Rs. 98,25,112/- u/s. 2(22)(e) of the Act?.*
2. *Whether, on facts and in circumstances of the case and in law, Ld. AO erred in issuing notice u/s. 148 of the Act?.*

*Further, appellant craves leave to add, amend, alter or withdraw all or any ground of appeal.*

5. Shri Divyang Shah, the Ld. AR of the assessee submitted that the Ld. CIT(A) had dismissed the appeal of the assessee for the reason that no compliance could be made before him. He, therefore, requested that the assessee may be allowed another opportunity by setting aside the matter to the file of Ld. CIT(A).

6. Per contra, Shri Kalpesh Rupavatia, the Ld. SR-DR, supported the order of Ld. CIT(A). He, however, had no objection if the matter was set aside to the file Ld. CIT(A) for allowing another opportunity to the assessee.

7. We have considered the request of the assessee. It is found that the Ld. CIT(A) had allowed as many as three opportunities to the assessee but no compliance was made on any occasion. Neither the assessee had requested for adjournment on any of the dates. The assessee had not explained the reason for complete non-compliance before the Ld. CIT(A). We, therefore, deem it proper to impose a **cost of Rs.10,000/- on the assessee which should be deposited to the Prime Minister National Relief Fund** within a period of 15 days from the date of receipt of this order. Subject to the payment of cost, the Ld. CIT(A) is directed to allow one more opportunity of being heard to the assessee and to explain and make submissions in respect of the grounds as taken before him. The assessee is also directed to make compliance before the Ld. CIT(A) and furnish the details and clarifications as required by him. In case the assessee does not make any compliance, the Ld. CIT(A) will have liberty to decide the matter on merits on the basis of materials available on record.

8. In the result, the appeal of the assessee is allowed for statistical purpose.

**Order pronounced in the Court on 25/02/2026 at Ahmedabad.**

**Sd/-**  
**(TR SENTHIL KUMAR)**  
Judicial Member

**Dated – 25<sup>th</sup> February, 2026**

*Neelesh*

**Sd/-**  
**(NARENDRA PRASAD SINHA)**  
Accountant Member

*True Copy*

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील) / The CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण / DR, ITAT,
6. गार्ड फाईल / Guard file.

आदेशानुसार/BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)  
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad