

**IN THE INCOME TAX APPELLATE TRIBUNAL
"C" BENCH, MUMBAI**

**SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER
SHRI RAHUL CHAUDHARY, JUDICIAL MEMBER**

**ITA No.8025/MUM/2025
(Assessment Year: 2018-2019)**

Mr. Prakash Dayaldas Karamchandani

A-4, Ekta Apartment, LBS Road,
Mulund West, Mumbai - 400080. Maharashtra.

[PAN:AACPK5143J]

.....

Appellant

Vs

**Income Tax Officer Ward 41(2)(4),
Mumbai**

Bandra Kurla Complex, Mumbai – 400051.
Maharashtra.

.....

Respondent

Appearance

For the Appellant/Assessee : None

For the Respondent/Department : Shri R. A. Dhyani

Date

Conclusion of hearing : 16.04.2026

Pronouncement of order : 17.04.2026

ORDER

Per Rahul Chaudhary, Judicial Member:

1. The present appeal preferred by the Assessee is directed against the Order, dated 06/11/2025, passed by the National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'the **CIT(A)**'] under Section 250 of the Income Tax Act, 1961 [hereinafter referred to as 'the **Act**'] whereby the Learned CIT(A) had dismissed the appeal against the Assessment Order, dated 19/03/2024, passed under Section 147 read with Section 144B of the Act for the Assessment Year 2018-2019.

2. The Assessee has raised following grounds of appeal :

"1. *The Officer at the Assessment Unit, Income-tax Department (hereafter referred to as the Assessing Officer) erred in determining the total income at Rs 1,05,67,410 as against Rs*

7,67,410 per return of income, and consequently raising a demand for Rs 87,87,727, including interest of Rs 11,24,730 and Rs 22.157 charged under sections 234A and 234D of the Act, respectively.

The appellant contends that the Assessing Officer ought to have accepted the income of Rs 7,67,410 per return of income for the reasons more specifically mentioned in grounds of appeal nos 2 and 3.

2. *The Assessing Officer erred in making an addition of Rs 75,00,000, being loan allegedly given in cash to Mr. Kailash Karamchandani during the year under reference.*

The appellant contends that on the facts and in the circumstances of the case and in law, the Assessing Officer ought not to have made the impugned addition inasmuch as he has not correctly appreciated the facts of the case in its entirety and hence, the impugned addition is baseless, unwarranted and as such, is required to be deleted.

3. *The Assessing Officer erred in making an addition of Rs. 23,00,000, being cash allegedly given to KGR Enterprises Pvt. Lid during the year under reference for acquisition of residential flat.*

The appellant contends that on the facts and in the circumstances of the case and in law, the Assessing Officer ought not to have made the impugned addition inasmuch as he has not correctly appreciated the facts of the case in its entirety and hence, the impugned addition is baseless, unwarranted and as such, is required to be deleted

4. *The Assessing Officer erred in charging interest of Rs 11.24,730 and Rs 22,157 under sections 234A and 234D of the Act, respectively.*

The appellant contends that the Assessing Officer ought not to have charged the impugned interest under sections 234A and 234D inasmuch as -

- (a) *the Assessing Officer has not given an opportunity to the appellant before charging the said interest as required by the principles of nature justice,*
- (b) *the charging of interest is not in accordance with law."*

The appellant contends that on the facts and in the circumstances of the case and in law, the CIT(A) ought to have disposed of the aforesaid grounds of appeal on merits."

3. When the appeal was taken up for hearing none was appeared on behalf of the Assessee. We have heard Learned Departmental Representative and have perused the material on record.
4. The relevant facts in brief are that for the Assessment Year 2018-2019, the Assessee, a resident individual, filed return of income declaring total income of INR.7,67,410/-. Vide Assessment Order dated, 19/03/2024, passed under Section 147 read with Section 144 and 144B of the Act the Assessing Officer completed the assessment at assessed income of INR.1,05,67,410/- computed as under:

SNo	Description	Amount (INR.)
1.	Income as per Return of Income filed in response to notice u/s.148	NIL
2.	Income as computed u/s 143(1)(a)	7,67,410/-
3.	Variation in respect of issue of un-explained money (paragraph 4.4.1 of Assessment Order)	75,00,000/-
4.	Variation in respect of issue of unexplained money (paragraph 4.4.2 of Assessment Order)	23,00,000/-
Total income		1,05,67,410/-

5. Being aggrieved, the Assessee preferred appeal before Learned CIT(A). During the appellate proceedings four notices of hearing were issued to the Assessee between 08/07/2025 to 29/09/2025 through Income Tax Business Application Portal. In response to notice dated 29/09/2025, the Assessee sought letter seeking adjournment. Since, no response was received from the Assessee for three notices and adjournment request was made for the notice dated 29/09/2025 the Learned CIT(A) dismissed the appeal vide Order, dated 06/11/2025.

6. Being aggrieved, the Assessee has preferred the present appeal before the Tribunal on the grounds reproduced in Paragraph 2 above.

7. We have given thoughtful consideration to the submissions advanced by Learned Departmental Representative and have perused the material on record. The Learned CIT(A) has dismissed the appeal without returning any findings on merits since no representation was made on behalf of the Assessee the addition made by the Assessing Officer were confirmed. We note that in response to notice of hearing dated 29/09/2025 the Assessee has sought adjournment. Since all the notices of hearing were issued over a period of three months we deem it appropriate to grant the Assessee another opportunity to make out a case on merits before the Learned CIT(A). At the same time we note that the Assessee had not appeared before the Assessing Officer during the assessment proceedings. On perusal of appeal in Memorandum filed before the Learned CIT(A) in Form 35 we find that the Assessee has not filed any additional evidence. Keeping in view the conduct of the Assessee, we direct the Assessee to co-operate in the appellate proceedings and forthwith file details, documents & submission in support of its claims/contentions before the Learned CIT(A). The Learned CIT(A) would be at liberty to admit/consider the same as per law. It is, however, clarified that in case the Assessee fails to enter appearance and/or fails to file details/documents/submission in response to notice of hearing issued by the Learned CIT(A), the Learned CIT(A) shall be at liberty to decide the issues on merits on the basis of material on record. The Assessee is directed to be vigilant and track the appellate proceedings through Income Tax Business Application Portal. The Assessee is also directed to take necessary steps to change the email address provided in Form 35 for communication of order/notices. In terms of the aforesaid, the Order, dated

06/11/2025, passed by the Learned CIT(A) is set aside with the directions to adjudicate the appeal afresh after granting the Assessee a reasonable opportunity of being heard. Thus, without returning any findings on merits, the grounds raised by the Assessee are treated as allowed for statistical purposes. Thus, the appeal preferred by the Assessee is treated as allowed for statistical purposes.

Order pronounced on 17.04.2026.

Sd/-
(Vikram Singh Yadav)
Accountant Member

Sd/-
(Rahul Chaudhary)
Judicial Member

मुंबई Mumbai; दिनांक Dated :17.04.2026
Milan,LDC

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

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

आदेशानुसार/ BY ORDER,

सत्यापित प्रति //True Copy//

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