

**IN THE INCOME-TAX APPELLATE TRIBUNAL “D” BENCH,
MUMBAI**

**BEFORE SHRI BEENA PILLAI, JUDICIAL MEMBER
&
SMT.RENU JAUHRI, ACCOUNTANT MEMBER**

**ITA No. 1567/MUM/2025
(A.Y.2016-17)**

Rajesh Narendra Mewawalla Flat No. 2, 1 st Floor, Nutan Prakash Building No. 2, Walkeshwar, Mumbai-400006.	Vs.	DCIT Central Circle 3(3) Room No. 1923, Air India Building, Nariman Point, Mumbai-400021.
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No:AABPM8200H		
Appellant	..	Respondent

Appellant by :	Shri Piyush Chhajed
Respondent by :	Shri Annavarani Kosuri- Sr. AR

Date of Hearing	06.10.2025
Date of Pronouncement	28.10.2025

आदेश / O R D E R

PER RENU JAUHRI [A.M.] :-

This appeal is filed by the assessee against the order of the Learned Commissioner of Income-tax (Appeals), Mumbai/National Faceless Appeal Centre, Delhi [hereinafter referred to as “CIT(A)”] dated 17.07.2023 passed u/s. 250 of the Income-tax Act, 1961 [hereinafter referred to as “Act”] for the Assessment Year [A.Y.] 2016-17.

2. The grounds of appeal are as follows:

“The grounds mentioned hereunder are without prejudice to one another

1. The learned assessing officer erred in issuing a notice u/s 148 without obtaining appropriate sanction required u/s 151(2) of the income tax act and therefore notice itself is bad in law and concentrating the assessment thereof.

2. The learned assessing officer erred in reopening of reassessment proceedings u/s 148 vide notice dated 31.03.2021 without providing the copy of reasons recorded and only on the basis of non-filing of return of income.

3. The learned assessing officer erred in confirming the addition of Rs. 2,41,92,400/-u/s 69A of the income tax act.

4. The learned assessing officer erred in confirming the addition of Rs. 61,74,464/- u/s 69C of the income tax act.

The Appellant craves the leave to add, amend, alter and/or delete any of the above grounds of appeal at/or before the time of hearing.”

3. At the outset, it is noted that the appeal is delayed by 503 days. The assessee has filed an affidavit for condonation of delay wherein it has been submitted that he was undergoing severe health issues due to which he could not respond to the notices or take timely necessary action and the problem was further complicated due to disruption caused by the COVID-19 pandemic after which he was under severe financial strain. Further due to his lack of experience in handling tax matters, being an undergraduate, and lack of proper guidance from the consultant, the assessee could not file the appeal within the prescribed time. It has further been submitted that a search was conducted by the department in 2008 on the assessee's premises and various assets had been seized. Subsequently, he had to pay huge tax demand for securing the release of jewellery from the custody of the department which materialized after almost 14 years.

- 3.2 In view of above facts and circumstance, ld. AR has requested that the delay may be condoned being due to genuine and bonafide reasons. Ld. DR, on the other hand, has opposed the condonation of the inordinate delay which has not been properly explained with requisite supporting documentary evidences.
- 3.3 After considering the rival submissions and the totality of the facts and circumstances of the case, we are of the considered view that the delay deserves to be condoned but subject to the payment of a cost by the assessee by way of depositing Rs. 10,000/- to the Prime Minister's National Relief Fund (PMNRF).
4. On merits, brief facts are that the assessee had not filed its return for A.Y. 2016-17 though there had been several high value transactions during the year as per the information available on the Non-filer Monitoring system of the IT department. A notice u/s. 148 was issued on 21.03.2021, however, no return was filed by the assessee in response to this notice. Subsequently, in the absence of any compliance, the assessment was completed vide order dated 28.02.2022 passed 147 r.w.s 144 of the Act, determining the total income as under:

Salary	Rs. 9,60,000/-
Add: Unexplained cash credit u/s. 69A	Rs. 241,92,400/-
Add. Unexplained expenditure u/s. 69C	Rs. 61,74,465/-
Total Assessed Income	Rs. 3,13,26,865/-
Rounded off u/s. 288A	Rs. 3,13,26,870/-

- 4.2 Aggrieved with the assessment order, the assessee preferred an appeal before ld. CIT(A). Vide order dated 17.07.2023, ld. CIT(A) dismissed the

assessee's appeal after holding that assessee did not make requisite compliance before the ld. AO. Aggrieved, the assessee has now preferred an appeal before the Tribunal after a delay of 503 days which has been condoned hereinbefore.

5. We have heard the rival submissions and perused the information available on record. Since the assessee could not make any compliance before the ld. AO, in the interest of justice, we deem it appropriate to restore the matter to ld. jurisdictional AO for denovo assessment after providing due opportunity to the assessee. The assessee is directed to furnish proof of depositing cost of Rs. 10,000/- to the PMNRF before the ld. AO and also make requisite compliance on merits.
6. The appeal is accordingly allowed for statistical purposes.

Order Pronounced in Open Court on 28.10.2025

Sd/-

(BEENA PILLAI)
(JUDICIAL MEMBER)

Sd/-

(RENU JAUHRI)
(ACCOUNTANT MEMBER)

Place: Mumbai

Date 28.10.2025

Anandi.Nambi/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.