

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

**BEFORE DR. BRR KUMAR, VICE PRESIDENT &  
SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER**

I.T.A. No.1569/Ahd/2025  
(Assessment Year: 2018-19)

Ambar Resources Pvt. Ltd., Survey No. 95, Nr. Swan Party Plot, Makarba Sarkej Road, Opp. Ambar Tower, Ahmedabad-380055	Vs.	Income Tax Officer, Ward-1(1)(1), Ahmedabad
<b>[PAN No.AALCA9375N]</b>		
<b>(Appellant)</b>	..	<b>(Respondent)</b>

<b>Appellant by :</b>	Shri Varis Isani, Advocate
<b>Respondent by:</b>	Shri Rameshwar P Meena, Sr. DR

<b>Date of Hearing</b>	06.11.2025
<b>Date of Pronouncement</b>	17.11.2025

**ORDER**

**PER SIDDHARTHA NAUTIYAL - JUDICIAL MEMBER:**

This appeal has been filed by the Assessee against the order passed by the Ld. Commissioner of Income Tax (Appeals), (in short “Ld. CIT(A)”), National Faceless Appeal Centre (in short “NFAC”), Delhi vide order dated 25.07.2025 passed for A.Y. 2018-19.

2. The assessee has raised the following grounds of appeal:

*“1. The Lrd. Commissioner of Income Tax (E-Appeals) (for short "Appellate Authority") has erred in law in passing the appeal order whereby he has confirmed order passed by the Income Tax Officer, NFAC (Assessment)-Delhi and dismissed the appeal on the grounds of limitation and not condone the delay on the grounds of appellant had not sufficient cause for not presenting the appeal within the due date stipulated u/s. 249 (2) (b) of the Income Tax Act. The appellate authority has dismissed the appeal without giving proper opportunity of being heard to the appellant. Hence the same being against the principle of natural justice and law required to be quashed. The Lrd. Appellant Authority could have condone the delay as appellant was prevented by sufficient and reasonable cause and by not granting the condonation in delay of filing the appeal, the appellant is deprived of proper justice. Hence, order passed by*

*the appellant authority deserves to be quashed and set a side and delay cause filing the first appeal may please be condone.*

2. *The Lrd. Appellant Authority has erred in law in dismissing the appeal of the appellant and confirmed the order of the assessing authority with regard to additions of Rs. 4,82,10,278/- made u/s. 69C r.w.s. 115BBE of the Income Tax Act towards bogus purchases. The action of the appellant authority and the AO for passing the assessment order is not according to law to extent of making additions u/s. 69C r.w.s. 115BBE of the Income Tax Act.*

3. *The opportunity to submit details in the case was not properly given and without giving a chance of personal hearing and to submit more details in support of the case, the order passed is in gross violation of principal of natural justice.*

4. *The Lrd. AO has erred in pretating the genuine purchases of Rs. 4,82,10,278/- made by the appellant from M/s. S. K Enterprise has not genuine and make additions u/s. 69C r.w.s. 115BBE of the Income Tax Act. Through all details and documents were submitted by the appellant. Hence, the order is not accordance of provisions of the law.*

5. *The Lrd. AO ought to have condone the delay by verifying the genuine and sufficient cause faced by the appellant for not filing the appeal within the prescribed time period. The dismissing of the appeal by not considering various factual and legal grounds raised by the appellant. Hence, the order passed is highly unjustifiable and unlawful.*

6. *The Lrd. Commissioner of Income Tax (E-Appeals) has erred in law in passing the appeal order confirming the action of Income Tax Officer, NFAC(Assessment)-Delhi, whereby confirmed the addition of Rs. 4,82,10,278/- made on account of unexplained expenditure u/s 69C of the IT Act made during the year under consideration.*

7. *The Lrd. Assessing Authority (NFAC) has on facts and on law grievously erred in making addition of Rs. 4,82,10,278/- u/s. 69C of the Income Tax Act by applying provision of section 115BBE of the Income Tax Act.*

8. *The Lrd. Assessing Authority has grievously erred in law in not considering reply and documents submitted by the appellant in right perspective and passed the assessment order by making huge addition of”*

3. The brief facts of the case are that the assessee filed its original return of income on 13.10.2018 declaring total income of ₹5,38,260/-. Subsequently, the Assessing Officer received information from the Investigation Wing regarding alleged bogus purchases by the assessee

from M/s S.K. Enterprise, which was a non-existent and paper concern engaged in providing accommodation entries without actual movement of goods. Based on this information, the Assessing Officer initiated proceedings under section 148A(d) of the Act. The assessee filed return in response to notice under section 148 of the Act again declaring income at ₹5,38,260/-. The Assessing Officer issued notices but the Assessing Officer noted repeated non-compliance of notices and accordingly held that purchases of ₹4,82,10,278/- from M/s S.K. Enterprise were bogus. After rejecting the assessee's submissions as unproven, the Assessing Officer invoked section **69C** of the Act and made addition of ₹4,82,10,278/-, and determining total income at ₹4,87,48,540/-.

4. The assessee filed an appeal before the CIT(Appeals) raising several grounds, viz. that the assessment was illegal, that additions under section 69C of the Act were unjustified, that adequate opportunity was not granted, that the AO ignored books of account and evidence, and that application of section **115BBE** was invalid. The assessee also challenged the reopening proceedings and the conclusions of the Assessing Officer based on mere suspicion.

5. However, the CIT(Appeals) did not examine the matter on merits. The CIT(Appeals) noted that the appeal was filed with a delay of 285 days. The assessee had stated reasons for the delay, including lack of knowledge and inability to act on Departmental notices in time. The CIT(Appeals) held that the assessee failed to demonstrate "sufficient cause" within the meaning of section **249(3)** and dismissed the appeal as time-barred, relying

on several judicial precedents such as **P.K. Ramachandran v. State of Kerala (1997) 7 SCC 556**, **Esha Bhattacharjee v. Raghunathpur Nafar Academy (2013) 12 SCC 649**, and **Govt. of A.P. v. S. Prakash Rao (1982) 2 SCC 385**, holding that law of limitation must be applied strictly and that delay of 285 days could not be condoned. Consequently, the appeal was dismissed in limine.

**6. The assessee is in appeal before us against the order passed by the CIT(Appeals) dismissing the appeal on the ground of limitation.**

7. During the hearing, the learned Counsel for the assessee submitted that the CIT(Appeals) summarily dismissed the appeal of the assessee on the ground of delay without considering that the assessee had clearly explained the reasons for delay in filing the appeal and had placed all facts before the appellate authority. It was argued that it is settled law that when reasons for delay are provided, the appellate authority must examine whether sufficient cause exists and that matters must generally be adjudicated on merits instead of being dismissed purely on technical grounds.

8. In response, the Ld. DR placed reliance on the observations made by the Assessing Officer and Ld. CIT(Appeals) in their respective orders.

**9. We have heard the rival contentions and perused the material available on record.** The only issue before us is whether the CIT(Appeals) was justified in dismissing the assessee's appeal in limine solely on the

ground of delay. It is evident from the appellate order that the assessee had indeed placed reasons for delay before the CIT(Appeals). The CIT(Appeals), however, rejected the request for condonation without examining the credibility or sufficiency of the explanation and without affording the assessee any liberal consideration, despite the fact that the delay was explained. The Hon'ble Supreme Court in **Collector, Land Acquisition v. Mst. Katiji (1987) 167 ITR 471 (SC)** has emphasized that substantial justice should prevail and that technical considerations should not defeat adjudication on merits. In **N. Balakrishnan v. M. Krishnamurthy (1998) 7 SCC 123**, the Court held that the primary consideration is whether the explanation for delay is bona fide. Similarly, in **Improvement Trust, Ludhiana v. Ujagar Singh (2010) 6 SCC 786**, the Supreme Court reiterated that denial of condonation should be an exception rather than a rule, especially where refusal leads to denial of justice. Further, several ITAT decisions have consistently held that where the assessee has furnished reasons for delay, the CIT(Appeals) must examine the same and pass a reasoned order; and if not satisfied, the matter may be restored for fresh adjudication.

10. In view of these principles, we find merit in the submissions of the assessee that the CIT(Appeals) has summarily dismissed the appeal without proper consideration of the explanation for delay and without analyzing whether sufficient cause existed. Such an approach defeats the very purpose of appellate remedy. We are therefore of the considered view that the ends of justice would be met by restoring the matter to the file of

the CIT(Appeals) with a direction to consider the assessee's application for condonation afresh and thereafter adjudicate the appeal on merits in accordance with law.

11. Accordingly, the matter is **restored** to the file of the CIT(Appeals) with direction to pass fresh orders on merits after examining the assessee's explanation for delay and after providing adequate opportunity of hearing.

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

This Order pronounced in Open Court on

17/11/2025

Sd/-  
**(DR. BRR KUMAR)**  
**VICE PRESIDENT**

Ahmedabad; Dated 17/11/2025

TANMAY, Sr. PS

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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, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

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