

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'E', NEW DELHI**

**BEFORE SHRI VIMAL KUMAR, JUDICIAL MEMBER
&
SMT. RENU JAUHRI, ACCOUNTANT MEMBER**

**ITA No. 5199/DEL/2025
Assessment Year: 2013-14**

HLG Developers Pvt. Ltd. A-1/289, Sector-36, Rohini New Delhi-110039 (APPELLANT)	Vs	ITO- 11(1) C.R. Building New Delhi- 02 (RESPONDENT)
PAN No. AACCH0982K		

Assessee by : Shri Ashish Jain, CA

Department/Revenue by : Ms. Ankush Kalra, SR. DR

Date of Hearing: 18.12.2025	Date of Pronouncement: 18.12.2025
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ORDER

PER RENU JAUHRI, AM:

1. The above captioned appeal is preferred against the order dated 24.06.2025, passed by Ld. CIT(A), National Faceless Appeal Centre, Delhi (for short, CIT(A)) u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as, "Act"), in Appeal No. NFAC/2012-13/10321992 for A.Y.

2013-14. The assessment was framed by the Assessing Officer (for short, AO) u/s 147 r.w.s 144 of the Act vide his order dated 25.05.2023.

2. The grounds of appeal are as under:

- “(a) That where in view of the SC judgement in UOI vs Rajeev Bansal, the notice dated 29.06.202 issued u/s 148 of the Act was barred by limitation (initial notice u/s 148 of the Act was issued on 30.06.2021 and show cause notice was issued on 14.05.2022), the Ld. CIT(A) NFAC was wrong in dismissing the appeal of the assessee in limine by refusing to condone the delay in filing of the appeal without adjudicating the legal issue.*
- (b) That on the facts and circumstances of the case, where the assessee sufficiently explained the delay in filing of appeal, the Id CIT(A), NFAC erred in not condoning the delay.*
- (c) That the appellate craves leave of this hon’ble court to add, amend, alter or withdraw any ground at the time of hearing.”*

3. Brief facts of the case are that the assessee’s company filed return for A.Y. 2013-14 on 31.12.2013, declaring loss of Rs. 18,890/-. Consequent upon search and seizure action u/s 132 of the Act in the case of Jain Brothers group of cases which were found to be in the business of providing accommodation entries, it was seen that the assessee company was also a beneficiary of accommodation entries totalling Rs. 1,64,00,000/- and, hence, its case was re-opened u/s 148 of the Act. The assessment was completed at an income of Rs. 1,63,81,110/- vide order dated 25.05.2023 u/s 147 r.w.s 144B of the Act.

Aggrieved, the assessee filed an appeal before the Ld. CIT(A). As the appeal was filed with a delay of 281 days, the Ld. CIT(A) dismissed the appeal *in limine* on account of the inordinate delay vide order dated 24.06.2025. Further aggrieved, the assessee has filed an appeal before the Tribunal.

4. Before us, the Ld. AR has submitted that the reasons of delay were explained before Ld. CIT(A), however, these were not considered and the appeal was dismissed *in limine*. It has been explained that the assessee had initially filed a writ petition before the Hon'ble Delhi High Court, challenging the issuance of notice u/s 148 of the Act by the Ld. AO. However, the said writ petition was subsequently withdrawn on 13.07.2023 for the reason that by then the assessment had already been completed vide order dated 25.05.2023. The fact of withdrawal of writ petition by the Counsel was not brought to the knowledge of the assessee's company on account of their dispute with the management of the company. The matter came to the notice of the assessee company only on 24.02.2024 when the Counsels were replaced and a new Counsel was appointed. As such there was sufficient cause for the assessee company due to which the appeal was filed with a delay of 281 days. In view of these facts and circumstances, Ld. AR has submitted that the Ld. CIT(A) ought to have condoned the same in the interest of justice. On the other hand, Ld. DR has placed reliance on the orders of the lower authorities and submitted that the delay was inordinate and not properly

explained with supporting documentary evidences leading to dismissal of the appeal by the Ld. CIT(A).

5. We have heard the rival submissions and considered the material available on record. We are of the considered view that the delay having been explained, Ld. CIT(A) ought to have considered the same and decided the appeal on merits instead of simply dismissing it *in limine*. Accordingly, in the interest of justice, we deem it appropriate to set-aside the order of the Ld. CIT(A) with directions to adjudicate the appeal afresh on merits.
6. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the Open Court on 18-12-2025.

Sd/-
(VIMAL KUMAR)
Judicial Member

Sd/-
(RENU JAUHRI)
Accountant Member

Dated: 22.12.2025

Pooja Mittal

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asstt. Registrar, ITAT, New Delhi