

IN THE INCOME TAX APPELLATE TRIBUNAL

"F" BENCH, MUMBAI

BEFORE SHRI ARUN KHODPIA, ACCOUNTANT MEMBER

SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER

ITA No.6031/MUM/2025
(Assessment Year: 2018-19)

Sandip Foundation

2nd Floor, Koteswar Plaza,
J.N. Road, Mulund (W),
Mumbai – 400080
PAN: ABEFS2855C

..... Appellant

v/s

**Deputy Commissioner of Income Tax
(Exemption), Circle 2(1),**

Room No.601, 6th Floor,
Cumballa Hill MTNL TE
Building, Pedder Road,
Dr. Gopalrao Deshmukh Marg,
Cumballa Hill,
Mumbai – 400026

..... Respondent

Assessee by : Shri K Gopal
Shri Akhilesh Deshmukh
Revenue by : Shri Vivek Perampurna, CIT-DR

Date of Hearing – 14/01/2026

Date of Order - 19/01/2026

ORDER

PER SANDEEP SINGH KARHAIL, J.M.

The assessee has filed the present appeal against the impugned order dated 02.07.2025, passed under section 250 of the Income Tax Act, 1961 (*"the Act"*) by the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, [*"learned CIT(A)"*], which in turn arose from

the order passed under section 154 of the Act, for the assessment year 2018-19.

2. In this appeal, the assessee has raised the following grounds: -

"Legal Ground

I. Order dated 2.07.2025 is passed in breach of principle of natural justice

1. The Ld. National Faceless Appeal Centre (NFAC) has erred in passing the order dated 2.07.2025 without affording the Appellant an appropriate opportunity of being heard. Thus, the impugned order passed under section 250 of the Income-tax Act, 1961 (the Act) on 2nd July, 2025 without affording the Appellant a proper and reasonable opportunity of being heard is in breach of principle of natural justice and the same be set aside. The said ex-parte order is against the principles of natural justice and hence is unjustified, bad in law, and liable to be quashed.

II. The order passed under section 154 is without jurisdiction and bad-in-law.

2. The Ld. NFAC failed to appreciate that the Ld. AO has sought to consider a debatable issue by initiating proceedings for rectification of a mistake apparent on record under section 154 of the Act. Thus, the rectification order dated 28.03.2025 is bad-in-law and void-ab-initio. Hence the same may be quashed.

On Merits

III. Addition of Rs. 11,96,93,441 /- made by invoking provisions of section 13(2)(c) of the Act is unjustified

3. The Ld. NFAC failed to appreciate that the Ld. AO has erred in law and on facts in adding a sum of Rs. 11,96,93,441/- to the income of the assessee by invoking section 13(2)(c) of the Act, holding that the said payment does not qualify for exemption under section 11, without duly appreciating the facts and evidences placed on record.

IV. Addition of Rs. 27,96,600 /- made under section 13(2)(d) of the Act is unjustified

4. That on the facts and the circumstances of the case, the learned A.O has erred in law and on facts in adding a sum of Rs. 27,96,600/- to the income of the assessee by invoking section 13(2)(d) of the Act, holding that the said payment does not qualify for exemption under section 11, without duly appreciating the facts and evidences placed on record.

5. The Appellant has duly fulfilled all the conditions to claim the exemption under section 11 of the Act and therefore entitled to claim exemption, which has been wrongly denied by the Ld. A.O.

6. *The Appellant denies the liability on account of interest levied under section 234A, 234B and 234C of the Act. The levy of such interest is unjustified and deserves to be deleted.*”

3. We have considered the submissions of both sides and perused the material available on record. In the present case, at the outset, it is evident that the learned CIT(A) has passed the order *ex parte* as the assessee failed to file any written submission or documentary evidence to substantiate the grounds raised before the learned CIT(A) or to controvert the findings of the AO. Now, in the appeal before us, the assessee is duly represented by the learned AR and wishes to pursue the litigation against the tax liability computed by the AO vide order dated 28.03.2025 passed under section 154 of the Act. During the hearing, the learned AR submitted that, due to a misunderstanding at the end of the assessee, no written submissions were filed, despite seeking adjournments.

4. Therefore, in view of the above, we are of the considered opinion that, in the interest of justice, the assessee be hereby granted one more opportunity to represent its case on merits before the learned CIT(A). Consequently, we deem it fit and proper to set aside the impugned order and restore the matter to the file of the learned CIT(A) for *de novo* adjudication of the appeal on merits, after considering all the details/submissions as may be filed by the assessee. Needless to mention, no order shall be passed without affording a reasonable and adequate opportunity of hearing to the parties. Further, the assessee is directed to appear before the learned CIT(A) on all dates of hearing as may be fixed without any default. Accordingly, the grounds raised by the assessee are allowed for statistical purposes.

5. In the result, the appeal by the assessee is allowed for statistical purposes.

Order pronounced in the open Court on 19/01/2026

**Sd/-
ARUN KHODPIA
ACCOUNTANT MEMBER**

**Sd/-
SANDEEP SINGH KARHAIL
JUDICIAL MEMBER**

MUMBAI, DATED: 19/01/2026

Prabhat

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The PCIT / CIT (Judicial);*
- (4) *The DR, ITAT, Mumbai; and*
- (5) *Guard file.*

By Order

Assistant Registrar
ITAT, Mumbai.