

आयकर अपीलीय अधिकरण "बी" न्यायपीठ पुणे में ।
IN THE INCOME TAX APPELLATE TRIBUNAL "B" BENCH, PUNE

BEFORE SHRI R.K. PANDA, VICE PRESIDENT
AND
MS. ASTHA CHANDRA, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1893/PUN/2025
निर्धारण वर्ष / Assessment Year : 2014-15

Sanjay Vasant Rao Patil, 3, Hearts Sanjeevani Hospital, Vasant Dagaji Sankul, Satana, Tal.-Baglan, Dist.-Nashik, Satana-423301 PAN : ADVPP0627Q	Vs.	ACIT, Circle-Malegaon
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

Assessee by :	Shri Sanket Joshi
Department by :	Shri Vinod Pawar
Date of hearing :	29-01-2026
Date of Pronouncement :	30-01-2026

आदेश / ORDER

PER ASTHA CHANDRA, JM :

The appeal filed by the assessee is directed against the order dated 30.01.2025 of the Ld. Commissioner of Income Tax (Appeals)/NFAC, Delhi ["CIT(A)/NFAC"] pertaining to Assessment Year ("AY") 2014-15.

2. There is a delay of 128 days in filing of this appeal before the Tribunal for which the assessee has filed an application along with affidavit explaining the reasons for such delay which are as under :

"3. *I hereby state that the said delay in filing the appeals is attributable to a reasonable cause as explained hereinbelow. I am residing in small town of Satana which is around 90 kms from Nashik. I am a senior citizen aged around 67 yea years and I was completely dependent on my Tax Consultant, Mr. Sunil Deshmukh, ITP for income tax appeal matters and compliance. I wish to state that the assessment order u/s 143(3) for A.Y.2015 16 was passed on 13.12.2017 and the appeal against the same was filed in January, 2018 by the ITP. Similarly, the assessment order u/s 147 for A.Y.2014-15 was passed on 22.11.2019 and the appeal against the same was filed in December, 2019 by the ITP. As informed to me by the tax consultant, at that point of time, the notices of hearing by the CIT(A) used to be issued in physical manner and the hearings also used to be conducted in physical manner. In the Form 35 filed for A.Y.2014 15 and 2015 16, the taxpayer was provided an option to choose whether he would like to receive the notices of hearing on email. In my case, the ITP had opted 'NO' in response to the said option given in Form 35. However, the filing of appeal in electronic*

manner had become mandatory at that time. Therefore, only for the purposes of completing this procedural formality of e-filing of appeal, the Staff of the ITP created an email id: drsanjaypatill@gmail.com. This email id created by the staff of the ITP was never used by me and the same email id was unfortunately registered by the staff of the ITP on the income tax portal. I further wish to state that the mobile number 9405663440 mention in Form 35 also did not belong to me and it belong to staff of ITP. The ITP was under a bona fide belief that as per the practice prevailing at the time of filing appeal, the notices of hearing will be issued by the CIT(A) through post on the regt. address of the assessee. That is the reason why the ITP had opted 'NO' against such option to receive notices through email, provided to the assessee in Form 35.

4. *I have been informed by my tax consultant that subsequently, after Covid 19, the CIT(A) proceedings commenced in faceless manner only and the notices of hearing were also issued only on email and not by post. Under these circumstances, the notices of hearing as well as the appellate order u/s 250 issued by the CIT(A), NFAC, Delhi for A.Y.2015-16 on 14.06.2023 and for A.Y 2014-15 on 30.01.2025, on the above email id created by the staff of the ITP, went unnoticed. The said fact came to our notice only around the first week of March 2025, when a penalty notice u/s 271(1)(c) for A.Y.2015-16 was served physically through post on my address at Satana by the Income Tax Department. After receipt of the said notice, I contacted my tax consultant who logged into the income tax portal. At that time, the tax consultant informed me that the CIT(A) Order for A.Y.2015 16 was already passed on 14.06.2023 itself and the CIT(A) order for A.Y.2014-15 was passed on 30.01.2025. Thereafter, the Challans of Rs.10,000 towards ITAT appeal filing fees for both the years was paid on 24.03.2025 as per the advice of the ITP.*
5. *I wish to state that I also had a dispute with the Tax Consultant since the tax consultant had not properly followed up the status of the appellate proceedings for A.Y.2015-16 as well as A.Y.2014-15 and he had not updated the proper email id on the income tax portal which had resulted into the appeals being dismissed on ex-parte basis. After becoming aware of these facts, the correct email id of the appellant i.e. sanjayvpatil13@gmail.com and an alternat email id: heartssanjivani@gmail.com was also updated on the income tax portal in March, 2025. However, due to the fall ou with the Tax Consultant, I started searching independently fo Counsels practicing before Hon'ble ITAT. Pune for filing appeals against the CIT(A) Orders passed for A.Y.2014-15 and 2015-16. During this period, I was also suffering from health issues which made it difficult for me, being based in Satana, to approach Counsels practicing at Pune. Finally, after my health improved, I was able to identify and approach a Counsel for filing appeals before Hon'ble Pune ITAT and after providing the relevant information to the Counsel, the appeals for A.Y.2015-16 and A.Y.2014-15 could be filed only around 25.07.2025. In view of these facts, there was a delay of 712 days and 116 days in filing the appeals for A.Y.2015 16 and 2014-15 respectively before Hon'ble ITAT, Pune.*
6. *I hereby state that I had nothing to gain due to delay in filing the appeals. In fact, I had already suffered a lot due to the impugned delay by way of dismissal of quantum appeals resulting into re-initiation of penalty proceedings u/s 271(1)(c) and recovery proceedings. I reiterate that the impugned delay in filing appeals before Hon'ble ITAT was attributable to genuine reasons as stated above. I also wish to state that I have also taken corrective measures to avoid repetition of any such delay in future, by updating my correct email id on income tax portal and by changing my tax consultant.”*

2.1 On perusal of the above reasons, we are satisfied that the delay in filing of appeal is not intentional or deliberate but has occurred for the reasons mentioned in the affidavit. After hearing both the sides, we are of the view that the delay is attributable to the sufficient cause. We, therefore, in light of the decisions of the Hon'ble Supreme Court in the case of *Collector, Land Acquisition vs. Mst. Katiji & Ors. (1987) 167 ITR 471 (SC)* and in the case of *Inder Singh Vs. The State of Madhya Pradesh* reported in 2025 LiveLaw (SC) 339, condone the said delay and proceed to decide the appeal.

3. Although, a number of grounds have been raised by the assessee, however, these all relate to the ex-parte order of the Ld. CIT(A)/NFAC confirming the addition of Rs.51,47,000/- u/s 56(2)(vii)(b) of the Income Tax Act, 1961 (**the "Act"**) on account of transfer of immovable property and addition of Rs.1,85,00,000/- as cash credits u/s 68 of the Act made by the Ld. Assessing Officer (**"AO"**) vide his order dated 22.11.2019 passed u/s 143(3) r.w.s. 147 of the Act.

4. Briefly stated the facts are that the assessee is an individual, practicing as a Doctor at Satana, Nashik. For AY 2014-15, the assessee filed his e-return of income on 30.03.2015 declaring income of Rs.54,44,938/-. The case of the assessee was selected for limited scrutiny under CASS and the assessment was completed u/s 143(3) of the Act on 21.10.2016 at assessed income of Rs.56,69,840/- thereby making an addition of Rs.1,24,899/- on account of disallowance of interest expenses. Subsequently on review of case records by the Pr. CIT-1, Nashik the case of the assessee was reopened u/s 147 of the Act for AY 2014-15 by issuing of notice u/s 148 on 25.03.2019. In response thereto, the assessee filed his return of income on 06.05.2019 declaring income of Rs.56,69,837/-. Statutory notice(s) u/s 143(2) and 142(1) of the Act were issued and served upon the assessee for compliance. The case of the assessee was reopened to examine the issue relating to transfer of immovable property by the assessee during the relevant AY and unsecured loans obtained by the assessee from seven lenders during the relevant AY under consideration. The reply/explanation offered by the assessee was not found to be acceptable by the Ld. AO. He proceeded to complete the assessment by

making an addition of Rs.51,47,000/- u/s 56(2)(vii)(b) and Rs.1,85,00,000/- u/s 68 of the Act.

5. Aggrieved, the assessee carried the matter before the Ld. CIT(A)/NFAC. Despite services of notice of hearing issued during the appellate proceedings from time to time there was non-compliance which resulted in an ex-parte decision by the Ld. CIT(A)/NFAC dismissing the appeal of the assessee for non-prosecution and endorsing the findings of the Ld. AO, against which the assessee is in appeal before the Tribunal.

6. We have heard the Ld. Representatives of the parties and perused the material available on record. Admittedly, there was non-compliance to the various notices issued by the Ld. CIT(A)/NFAC. The Ld. AR submitted that the non-compliance before the Ld. CIT(A)/NFAC was not intentional but resulted on account of certain unavoidable circumstances beyond the control of the assessee. The Ld. AR submitted that the Ld. CIT(A)/NFAC has dismissed the appeal of the assessee in limine without passing any speaking order adjudicating the grounds of appeal and the detailed contentions raised in the statements of facts. It is the submission of the Ld. Counsel for the assessee that the assessee has a strong case on merits and given an opportunity the assessee is in a position to explain and substantiate his case before the Ld. CIT(A)/NFAC by furnishing all the requisite supporting documents/evidence in support of his claim. The Ld. AR, therefore, urged that the matter may be sent back to the file of the Ld. CIT(A)/NFAC for adjudication afresh on merits after affording an opportunity of hearing to the assessee. The Ld. DR had no objection to the said proposition of the Ld. AR.

7. The appellate order reveals that the Ld. CIT(A) has applied the decision of the Hon'ble Supreme Court in CIT Vs. B.N. Bhattacharjee and Another, 10 CTR 354 (SC). No doubt, the Ld. CIT(A)/NFAC may decide the appeal ex-parte where the assessee does not prosecute his appeal inspite of several opportunities. None-the-less, he has to adhere to the legislative mandate enshrined in sub-section (6) of section 250 of the Act which requires him to state the points for determination, the decision thereon and the reason for the decision. We observe that the Ld. CIT(A)/NFAC has passed the order in concurrence of the order of Ld. AO without himself

going into the merits of the case. Thus, in our view, his order is in violation of the provisions of section 250(6) of the Act.

8. On the above facts and in the circumstances of the case, we deem it fit, in the interest of justice and fair play to set aside the order of Ld. CIT(A)/NFAC and restore the matter back to his file for denovo adjudication and pass speaking order on merits as per fact and law after allowing reasonable opportunity of being heard to the assessee. Needless to say, the assessee shall provide the requisite support in terms of submitting the relevant documents/evidence as may be required/called upon on the appointed date without seeking any adjournment under any pretext, failing which the Ld. CIT(A)/NFAC shall be at liberty to pass appropriate order in accordance with law. The assessee is also hereby directed to provide his active and latest email id to the Department for receiving notice(s) of hearing and remain vigilant in accessing and responding to the notices. We direct and order accordingly. The grounds raised by the assessee are thus allowed for statistical purposes.

9. In the result, the appeal of assessee is treated as allowed for statistical purpose.

Order pronounced in the open court on 30th January, 2026.

Sd/-
(R.K. Panda)
VICE PRESIDENT

Sd/-
(Astha Chandra)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 30th January, 2026.

रवि

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "बी" बेंच, पुणे / DR, ITAT, "B" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.
//सत्यापित प्रति// True Copy//

आदेशानुसार / BY ORDER,

सहायक पंजीकार/ Assistant Registrar
आयकर अपीलीय अधिकरण ,पुणे / ITAT, Pune