

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "F", MUMBAI

BEFORE SHRI ANIKESH BANERJEE, JUDICIAL MEMBER AND
SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER

ITA No.8214/Mum/2025 (Assessment year: 2015-16)

ITA No.8215/Mum/2025 (Assessment year: 2015-16)

Venkatesh Rajgopal Iyer 504, Plot No.11-12, Indraprastha Tower CHSL, Sector 29, Vashi, Navi Mumbai-400703 PAN: AALPI8252R	vs	Income Tax Officer, Ward 28(3)(1)/Mumbai IT-Office, Vashi Railway Station Building, Navi Mumbai-400703
APPELLANT		RESPONDENT

Assessee by : Shri Suresh Kumar Gudher/ Shri Abhishek Bhotra,

Respondent by : Shri Sushil B. Shendge (SR DR)

Date of hearing : 10/02/2026

Date of pronouncement : 16/02/2026

ORDER

Per Bench :

Both the appeals of the assessee filed against the two separate orders of the NFAC, Delhi [for brevity 'the Ld. CIT(A)], order passed under section 250 of the Income Tax Act 1961 (for brevity 'the Act') for assessment year 2015-16, date of orders for both the appeals 08.10.2025. The impugned order emanated from the order of the Ld. Assessment Unit Income Tax Department (for brevity the 'Ld.

AO'), order passed under section 147 r.w.s. 144 of the Act & under section 271(1)(c) of the Act, date of order 14/03/2023 & 21.09.2023 respectively.

2. The brief facts of the case are that the assessee is a non-filer of income tax return. During the relevant financial year, the assessee had sold and purchased immovable property and had also earned salary income. The assessment was reopened under section 148 of the Act. However, there was no compliance on the part of the assessee during the reassessment proceedings. Consequently, the Ld. AO passed an ex parte order. In the reassessment, the Ld. AO made an addition of Rs.87,00,000/- on account of sale of property by treating the same as short-term capital gain. Further, an amount of Rs.1,17,33,702/- relating to purchase of property, salary income of Rs.7,88,213/- received from M/s Seashores Ship Agency Pvt. Ltd., bank interest of Rs.5,070/-, and a sum of Rs.39,27,965/- being the balance amount credited in the assessee's savings bank account (after excluding the salary component) were also added to the total income of the assessee. Thus, a total addition of Rs.2,59,43,163/- was made.

Further, penalty proceedings under section 271(1)(c) of the Act were initiated, and penalty equivalent to 100% of the tax sought to be evaded, amounting to Rs.86,19,805/-, was levied. Aggrieved by the assessment and penalty orders, the assessee preferred appeals before the Ld. CIT(A). However, the quantum appeal was filed with a delay of 417 days and the penalty appeal with a delay of 226 days. The Ld. CIT(A) rejected the petitions for condonation of delay on the ground that the assessee failed to furnish any satisfactory explanation for such delay. Accordingly, both appeals were dismissed on the ground of limitation without

adjudicating the issues on merits. Being aggrieved, the assessee has filed the present appeals before us.

3. Since both the appeals pertain to the same assessee, involving similar issues arising out of a similar factual matrix, these appeals were heard together as a matter of convenience and are being decided by way of this consolidated order. With the consent of the parties, the appeal for the **A.Y. 2015-16, ITA No. 8214/Mum/2025** is treated as a lead case, and the decision rendered therein shall apply mutatis mutandis to other appeal before us.

4. The Ld. AR argued and filed a paper book containing **page 1 to 188** which has been placed on record. The Ld. AR contended that the appeal was filed with a delay for 417 days related to the quantum. The Ld. AR further stated that the Ld. CIT(A) rejected the appeal on limitation without considering the merits of the case.

5. The Ld. DR strongly relied upon the orders of the revenue authorities and supported the findings recorded therein. He submitted that the Ld. CIT(A) had rightly dismissed the appeals on the ground of limitation, as the assessee failed to furnish any reasonable or satisfactory explanation for the inordinate delay in filing the appeals. Accordingly, he prayed that the impugned orders of the Ld. CIT(A) be upheld.

6. We have heard the rival submissions and perused the material available on record. The impugned addition of Rs.2,59,43,168/- was made in the course of reassessment proceedings. The assessee is a salaried employee. Upon examination of the record, it is observed that the assessee had sold a property,

the gains from which were treated as short-term capital gains, without allowing any cost of acquisition. Further, the investments in property, income from salary, interest income, and certain credits appearing in the bank account were treated as unexplained, as the same remained unsubstantiated before the Ld. AO as well as the Ld. CIT(A). Considering the facts and circumstances of the case, we are of the view that the assessee deserves to be granted a reasonable and effective opportunity of being heard to explain the aforesaid additions. Accordingly, the matter is remanded to the file of the Ld. CIT(A) with a direction to condone the delay in filing the appeal and to adjudicate the issues afresh by passing a reasoned and speaking order in accordance with law. It is clarified that we have not expressed any opinion on the merits of the case, and all issues are kept open for fresh consideration. Needless to state, the assessee shall be afforded a reasonable opportunity of being heard in the set-aside proceedings, and any evidence sought to be filed shall be considered in accordance with law. The assessee is also directed to remain diligent and extend full cooperation to ensure expeditious disposal of the matter.

Accordingly, the appeal of the assessee is allowed for statistical purposes.

7. In the result, the appeal of the assessee bearing **ITA No. 8214 and 8215/Mum/2025** are allowed for statistical purpose.

Order pronounced in the open court on 16th day of February 2026.

Sd/-

(GIRISH AGRAWAL)
ACCOUNTANT MEMBER

Mumbai, दिनांक/Dated:

16/02/2026

Sd/-

(ANIKESH BANERJEE)
JUDICIAL MEMBER

SAUMYASr.PS

Copy of the Order forwarded to:

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकरआयुक्त CIT
4. विभागीयप्रतिनिधि, आय.अपी.अधि., मुंबई/DR, ITAT,
Mumbai
5. गार्डफाइल/Guard file.

//True Copy//

BY ORDER,

(Asstt. Registrar), ITAT, MUMBAI