

**IN THE INCOME TAX APPELLATE TRIBUNAL “B” BENCH, MUMBAI**

**BEFORE SHRI OM PRAKASH KANT, AM  
AND  
MS. KAVITHA RAJAGOPAL, JM**

ITA No.8312/Mum/2025  
(Assessment Year: 2015-16)  
&  
ITA No.8311/Mum/2025  
(Assessment Year: 2015-16)

<b>Mr. Natarajan Sridhar,</b> B3093, Casa Serenita Sobha City, Thanisandra Main Road Hedge Nagar, Bengaluru, Karnataka – 560 064	Vs.	<b>Income Tax Officer,</b> Ward – 42(2)(4), Kautilya Bhavan, C-41 to C-43, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
<b>PAN: AQKPS5379Q</b>		
<b>(Appellant)</b>	:	<b>(Respondent)</b>

<b>Assessee by</b>	:	Shri Chaitanya E.CA, (Virtually appeared)
<b>Respondent by</b>	:	Shri Swapnil Choudhari, Sr. AR

<b>Date of Hearing</b>	:	16.02.2026
<b>Date of Pronouncement</b>	:	18.02.2026

**ORDER**

**Per Kavitha Rajagopal, JM:**

The captioned appeals are filed by the assessee challenging the order of the Learned Commissioner of Income Tax Appeal, Mumbai ('Ld. CIT(A)' for short), National Faceless Appeal Centre ('NFAC' for short) passed u/s 250 of the Income Tax Act, 1961 ('the Act'), pertaining to the Assessment Year ('A.Y.' for short) 2015-16. As the facts are identical, we hereby pass a consolidated order by taking ITA No.8312/M/2025 as the lead case.



2. The assessee has challenged the order of the Ld. CIT(A) in dismissing the appeal *in limine* without condoning the delay in filing the appeal before the first appellate authority.
3. Brief facts of the case are that the assessee is an individual and had not filed his return of income for the year under consideration. The assessee's case was reopened based on the information available on ITBA portal that the assessee had taxable salary income, entered into transaction on immovable property and had also made credit card payment of more than Rs.2,00,000/- but had failed to file his return of income, for which the income chargeable to tax has escaped assessment as per the provisions of section 147 of the Act. Notice dated 24.06.2021 u/s 148 of the Act by the Learned Assessing Officer ('Ld. AO' for short) was issued and served upon the assessee, in response to the same the assessee has filed his return of income declaring total income at Rs.50,86,460/-. After duly considering the assessee's submission the Ld. AO passed the assessment order dated 11.05.2023 u/s 147 r.w.s. 144B of the Act determining the total income at Rs.60,97,154/- after making an addition of Rs.10,10,694/- u/s 69 of the Act as unexplained investment pertaining to the investment made by the assessee in immovable property during the year under consideration. The Ld. AO also initiated penalty proceedings u/s 271(1)(c) of the Act.
4. Aggrieved, the assessee was in appeal before the first appellate authority who vide order dated 31.10.2025 dismissed the appeal of the assessee *in limine* without condoning the delay in filing the appeal before the first appellate authority, beyond the period of limitation on the ground that the assessee has failed to substantiate that there was 'sufficient cause' for the said delay.



5. Aggrieved, the assessee is in appeal before us challenging the order of the Ld. CIT(A).

6. We have heard the rival submissions and perused the materials available on record. It is observed that the assessee has challenged both the addition as well as the penalty levied by the Ld. AO before the first appellate authority. The Ld. CIT(A) has dismissed the appeal *in limine* by not condoning the delay in filing the appeal before him stating that the assessee has failed to establish that there was 'sufficient cause' for the delay in filing the appeal without getting into the merits of the case. On perusal of the reasons cited by the assessee and also the quantum of delay, we are of the considered opinion that the assessee had 'sufficient cause' for filing the first appeal beyond the period of limitation and there being no reason for any negligence on the part of the assessee. Further, we are also conscious of the fact that various higher forums namely the Hon'ble Apex Court and the Hon'ble High Courts have taken a liberal view in condoning the delay in filing the appeal and rather has reiterated that instead of dismissing the appeal on procedural defect, the substantial issue in hand has to be decided. Hence, we deem it fit to direct the Ld. CIT(A) to condone the delay and adjudicate the issues on the merits of the case and in accordance with law. The assessee is also directed to strictly comply with the proceeding before the Ld. CIT(A). Therefore, the appeal filed by the assessee is hereby allowed for statistical purposes.

7. The finding given in this appeal i.e. ITA No.8312/M/2025 will apply *mutatis mutandis* to the appeal in ITA No.8311/M/2025 as well and hence the same is also hereby allowed for statistical purposes.



8. In the result, both the appeals filed by the assessee are hereby allowed for statistical purposes.

*Order pronounced in the open court on 18.02.2026*

**Sd/-  
(OM PRAKASH KANT)  
ACCOUNTANT MEMBER**

**Sd/-  
(KAVITHA RAJAGOPAL)  
JUDICIAL MEMBER**

Mumbai; Dated: 18.02.2026

\* Kishore, Sr. P.S.

**Copy of the Order forwarded to:**

1. The Appellant
2. The Respondent
3. CIT- concerned
4. DR, ITAT, Mumbai
5. Guard File

BY ORDER,

(Dy./Asstt.Registrar)  
ITAT, Mumbai