

IN THE INCOME TAX APPELLATE TRIBUNAL "B" BENCH MUMBAI

**BEFORE SHRI OM PRAKASH KANT, ACCOUNTANT MEMBER
AND**

MS. KAVITHA RAJAGOPAL, JUDICIAL MEMBER

ITA No. 7207/MUM/2025

Assessment Year: 2015-16

Noorul Hasan Shaikh, 4, Laxmi Bhavan, P.D'Mello Road, Carnac Bunder, Mumbai-400001 (PAN : APAPS5077A)	Vs.	ITO-Ward 25(3)(1), Mumbai, Room No.118, 1 st Floor, Kautilya Bhavan, Bandra Kurla Complex, Bandra (East), Mumbai-400051
(Appellant)		(Respondent)

Present for:

Assessee : Ms. Dinkle Haria (Virtually appeared) &
Ms. Sruti Kalyanikar
Revenue : Shri Swapnil Choudhari, SR. DR

Date of Hearing : 12.02.2026

Date of Pronouncement : 23.02.2026

ORDER

PER OM PRAKASH KANT:

This appeal by the assessee is directed against order dated 30th September, 2025, passed by the Ld. Commissioner of Income Tax (Appeals) – National Faceless Appeal Centre (NFAC), Delhi [in short, Ld. CIT(A)] for assessment year 2015-16 in relation to penalty levied

by the Assessing Officer u/s 271(1)(c) of the Income Tax Act, 1961 (in short, the Act).

2. Before us, the Ld. Counsel for the assessee submitted that there was a delay of 210 days in filing the appeal before the Ld. CIT(A) but the Ld. CIT(A) has not condoned the delay in filing the appeal and dismissed the said appeal in *limine*. The Ld. Counsel submitted that penalty proceedings were initiated in the quantum assessment proceeding completed u/s 147 of the Act on 26th March, 2022. The demand notice for the same was received on 21st October, 2022. Thus, assessee filed appeal against the quantum proceedings and meanwhile the penalty order was also passed which he was not aware when he visited the office of the Chartered Accountant. He brought this fact of penalty levied to his knowledge but till then already, there was a delay. The assessee submitted that there was no mala fide intention for not filing the appeal on time and it happened due to inadvertent mistake of not consulting the Chartered Accountant on time. But the Ld. CIT(A) rejected his contention observing as under:

“3.2 The contention of the appellant has been perused. The assertions made by the petitioner appellant are not supported by any cogent and verifiable evidence. The assertion regarding being a layman and not aware about the proceedings in the matter, is not a legally tenable explanation. It is a settled position of law that ignorance of law cannot be treated as sufficient cause for condonation of delay. Where law demands agility and sincerity, neglect and laxity are not to be rewarded. Ignorance of law can never be advanced as an excuse for escaping the rigours of its provisions. “Ignorantia Juris non Excusata” places responsibility on individuals to know and follow the law of the land regardless of whether they were aware of the law or not. A person cannot avoid liability by claiming that they did not know the law and unaware of the fact. In these proceedings, however, the appellant has not brought out anything that can be sustained as sufficient cause.”

3. We have heard rival submission of the parties on the issue in dispute. We find that assessee was prevented by way of a sufficient cause in not presenting the appeal within the limitation period. As assessee was under bona fide belief that penalty order would be levied

after finalizing of the appeal which was pending before the Ld. CIT(A), the explanation filed by the assessee is acceptable. Accordingly, we condone the delay in filing the appeal and restore the matter back to the file of the Ld. CIT(A) for deciding the issue in dispute on merit.

4. Ground No.3 of the appeal of the assessee is accordingly allowed. Since we have restored the appeal back to the Ld. CIT(A), other grounds of the appeal are accordingly rendered academic and we are not adjudicating upon it at this stage.

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

Order is pronounced in the open court on 23rd February, 2026

Sd/-
(Kavitha Rajagopal)
Judicial Member

Sd/-
(Om Prakash Kant)
Accountant Member

Dated: 23rd February, 2026

Ankit, Sr.P.S.

Copy to :

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

BY ORDER,

(Dy./Asstt.Registrar)
ITAT, Mumbai