

**IN THE INCOME-TAX APPELLATE TRIBUNAL, MUMBAI "F" BENCH, MUMBAI
BEFORE SHRI SANDEEP GOSAIN, JUDICIAL MEMBER AND
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER
ITA No. 8722/MUM/2025(AY:2013-14)**

Jaykrishna D Pathak, 17/23 Amina Mansion, Kolsa Mohalla Nakoda Street, Mumbai-400019.	vs.	DCIT 32(1), Kautilya Bhawan, Bandra Kurla Complex, Bandra East, Mumbai- 400051.
PAN/GIR No: AGNPP3108K		
(Appellant)		(Respondent)

Appellant by	Shri Viraj Mehta
Respondent by	Ms. Kavitha Kaushik (SR DR)
Date of Hearing	28.01.2026
Date of Pronouncement	20.02.2026

ORDER

PER BIJAYANANDA PRUSETH, AM:

This appeal filed by the assessee emanates from the order passed under section 250 of the Income-tax Act, 1961 (in short, 'Act') by the Commissioner of Income-Tax (Appeals), Addl./JCIT (A)-1 [in short, 'CIT(A)'], dated 23.10.2025 for the assessment year (AY) 2013-14.

2. The grounds of appeal raised by the assessee are as under:

1) Ground No. 1: Violation of Natural Justice

On facts and circumstances, Ld. CIT(A) has erred in passing the order without providing proper opportunity of hearing to the appellant. Said additions confirmed are bad in law and liable to be deleted as order is passed without opportunity of being heard and violating the principles of natural justice.

2) Ground No. 2: Appeal filed is not delayed

On facts and circumstances, Ld. CIT(A) has erred in dismissing the appeal on erroneous conclusion that appeal filed is delayed by 5 years. In fact appeal was filed as per the direction of Hon. ITAT. Hence such conclusion made is erroneous in facts and appeal thereby dismissed is erroneous and bad in law.

3) Ground No. 3: Disallowance of Interest of Rs.13,20,319/-u/s 40(a)(ia)

On facts and circumstances, Ld. CIT(A) has erred in confirming the disallowance made by AO of Rs.13,20,319/ u/s 40(a)(ia). Said disallowance u/s 40(a)(ia) is bad in law and erroneous in facts and liable to be deleted.

4) Ground No. 4: Addition of Interest Income of Rs.2,51,684/-as undisclosed income

On facts and circumstances, Ld. CIT(A) has erred in confirming the addition made by AO of Rs.2,51,684/ as undisclosed income. Said addition is bad in law and erroneous in facts and liable to be deleted.”

3. Facts of the case in brief are that the assessee filed his return of income for the AY 2013-14 on 26.03.2014 declaring total income at Rs.49,41,610/-. The case was selected for scrutiny and after hearing the assessee the AO made the following additions: (i) Interest expenses of Rs.13,20,311/- for non-deduction of tax u/s 40(a)(ia) of the Act, Rs.2,00,000/- for low withdrawals and three interest income from bank of Rs.2,51,684/-. The total income was determined at Rs.53,75,470/- against returned income of Rs.49,41,610/- vide order u/s 143(3) dated 28.03.2016.

4. Aggrieved by the order of AO, the assessee filed appeal before the CIT(A). The appeal was filed on 02.04.2021 against the assessment order u/s 143(3) dated 28.03.2016. The CIT(A) issued three notices fixing the hearing on 05.10.2023, 21.04.2025 and 30.05.2025. The assessee requested for adjourned on all three occasions. However, no evidence or details were given by the assessee. The CIT(A)

relied on the decisions in cases of B.N. Bhattacharjee and Another [118 ITR 461(SC)] and M/s Chemipol vs. Union of India in Excise Appeal No.62 of 2009 (Bom.) and observed that the appellant has not substantiated the claims or the grounds raised by him. Hence, he did not find any reason from the findings of the AO.

4.1 The CIT(A) also found that there was delay of 5 years in filing the appeal before him. The appellant had not given any reason for the delay in filing the appeal. Hence, the delay was not condoned. Accordingly, the appeal of the assessee is dismissed.

5. Aggrieved by the order of CIT(A), the assessee filed appeal before the Tribunal. The Ld. AR of the assessee has not filed any written submission or details in support of the grounds of appeal raised in the instant appeal.

6. On the other hand, the Ld. Sr. DR of the revenue has supported the order of the CIT(A). He submitted that there was inordinate delay of 5 years in filing the appeal before the CIT(A). The assessee had not given any explanation that there was "sufficient cause" for not presenting the appeal within 30 days from the date of service of demand notice of the assessment order u/s 143(3) of the Act dated 28.03.2016. Hence, the CIT(A) has rightly refused to condone the delay in filing of the appeal. He has also dismissed the appeal for non-prosecution of the appeal.

7. We have heard both parties on this preliminary issue of condonation of delay. The assessment order u/s 143(3) was passed from 28.03.2016 but the appeal before the CIT(A) was instituted on 02.04.2021. Hence, there was a delay of nearly 5 years in filing appeal before the CIT(A). The Ld. AR submitted that the delay was not intentional. The appellant had not filed any petition for condonation of the delay or any affidavit before the CIT(A). The Ld. AR has also not filed any written submission or affidavit or any explanation for the inordinate delay of 5 years in filing appeal before the CIT(A). Thus, the assessee has not been able to give any cogent reason for such inordinate delay in filing appeal before CIT(A). The simple assertion that the delay was not intentional could not be treated as a "sufficient cause" in terms of provisions of section 249(3) of the Act for the inordinate delay of 5 years. We find that the Hon'ble Supreme Court in a number of decisions, namely, (i) *P. K. Ramachandran vs State of Kerala & Anr.* (1997) 7 SCC 556, (ii) *Pundik Jalam Patil vs. Executive Engineers, Jalgaon Medium Project*, (2008) 17 SCC 448 and (iii) *Basawaraj and Anr vs. Special Land Acquisition Officer*, (2013) 14 SCC 81, (iv) *Pathapati Subba Reddy (dies) By L. Rs. & Ors. Vs The Special Deputy Collector (LA), SLP(C) No.31248 of 2018 (SC)*, dated 08.04.2024 held that condonation of delay should not be granted only on the ground that ordinarily a litigant does not stand to benefit by lodging an appeal late.

8. The Hon'ble Supreme Court in the case of *Basawaraj* (supra) summarized the law on the subject issue by stating that where a case has been presented in the Court beyond limitation of time, the applicant has to explain as to what was the "sufficient cause" which means an adequate and enough reason, which prevented him to approach the Court within the limitation. In case a party is found to be negligent, or for want of bonafide on his part in the facts and circumstances of the case, or found to have not acted diligently or remained inactive, there cannot be a justified ground to condone the delay.

9. We also find that in a subsequent decision pronounced on 28.04.2024, in the case of *Pathapati Subba Reddy (dies) & Ors. vs. The Special Deputy Collector (LA), in SLP (Civil) No. 31248 of 2018 (SC)*, the Hon'ble Supreme Court referred to and discussed various decisions of Hon'ble Supreme Court and held as under:

"7. The law of limitation is founded on public policy. It is enshrined in the legal maxim "interest reipublicae ut sit finis litium" i.e. it is for the general welfare that a period of limitation be put to litigation. The object is to put an end to every legal remedy and to have a fixed period of life for every litigation as it is futile to keep any litigation or dispute pending indefinitely. Even public policy requires that there should be an end to the litigation otherwise it would be a dichotomy if the litigation is made immortal vis-a-vis the litigating parties i.e. human beings, who are mortals."

10. We also find that the Hon'ble Supreme Court in case of *H. Guruswamy & Ors. vs. A. Krishnaiah Since Deceased by LRS.*, in Civil Appeal No. 317 of 2025, dated 08.01.2025, has set aside the order of Hon'ble High Court of Karnataka in

WP No.7220 of 2014 wherein the Hon'ble High Court allowed the Writ Petition by condoning the delay. The Hon'ble Supreme Court at para 13 observed as under:

'13. We are at our wits end to understand why the High Court overlooked all the aforesaid aspects. What was the good reason for the High Court to ignore all this? Time and again, the Supreme Court has reminded the District judiciary as well the High courts that the concepts such as "liberal approach", "Justice oriented approach", "substantial justice" should not be employed to frustrate or jettison the substantial law of limitation.'

11. We also find that the Hon'ble Supreme Court in case of C.I Builders Pvt. Ltd. vs. PCIT, (2025) 178 taxmann.com 257 (SC) dismissed the SLP against the order of High Court that where the assessee contented that the delay was due to negligence of the counsel to file appeal. The Madhya Pradesh High Court had dismissed the appeal of the assessee. It was otherwise the duty of the assessee to watch its affairs and there was gross negligence in the attitude to the assessee in filing appeal and the assessee has not exercised any care to enquire about the status of second appeal and tried to shift the responsibility towards his counsel. In view of the above facts and respectfully following the authoritative precedents cited supra, we find no reason to interfere with the order of CIT(A) who did not condone the inordinate delay of 5 years in filing appeal before the CIT(A) in absence of any "sufficient cause". The appeal of the assessee was rightly dismissed by CIT(A), which we confirm. Accordingly, the grounds of appeal are dismissed.

12. In the result, the appeal of the assessee is dismissed.

Order is pronounced on 20.02.2026.

Sd/-
(SANDEEP GOSAIN)
JUDICIAL MEMBER

Sd/-
(BIJYANANDA PRUSETH)
ACCOUNTANT MEMBER

*Aniket Chand; Sr. PS

MUMBAI

Date: 20.02.2026

Copy of the Order forwarded to:

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, MUMBAI
6. Guard File

By Order

Assistant Registrar
ITAT, MUMBAI