

**IN THE INCOME TAX APPELLATE TRIBUNAL
"A" BENCH, MUMBAI
BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER
AND
SHRI JAGADISH, ACCOUNTANT MEMBER**

**ITA No. 8621/Mum/2025
Assessment Year: 2018-19**

Sadruddin Noorudin Tejani 143, Maker Tower L, Cuffe Parade, Colaba, Mumbai- 400005 PAN: AAAPT7814P (Appellant)	Vs.	Income Tax Officer, Ward 26(2)(1) Kautilya Bhavan, Mumbai- 400051 (Respondent)
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Assessee by	Shri Mayur Makadia
Department by	Shri Surendra Mohan, SR. DR

Date of Hearing	23.02.2026
Date of Pronouncement	24.02.2026

ORDER

Per: SHRI JAGADISH, A.M.:

1. This appeal filed by the assessee is directed against the order dated 28.07.2025 passed by the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi ["Ld. CIT(A)"] for Assessment Year 2018-19, arising out of the assessment framed under section 147 read with section 144B of the Income-tax Act, 1961 ("the Act").

2. At the outset, it is noticed that there is a delay of 43 days in filing the present appeal. The Ld. Authorised Representative (AR) has filed an affidavit explaining the reasons for the delay. Having considered the explanation furnished and being satisfied that the delay was caused due to reasonable and bona fide reasons, the delay of 43 days is condoned and the appeal is admitted for adjudication on merits.
3. Briefly stated, the facts of the case are that the assessee is an individual who had not originally filed the return of income. The assessment was reopened based on information that the assessee had sold immovable property for a sale consideration of ₹1,80,00,000/- but had not offered the corresponding capital gains to tax. In response to the notice issued under section 148 of the Act, the assessee filed the return of income on 01.09.2022 declaring total income of ₹42,55,310/-.
4. The Assessing Officer (AO), while completing the assessment under section 147 read with section 144B of the Act, made an addition of ₹77,72,747/- by invoking the provisions of section 50C of the Act on the ground that the sale consideration declared by the assessee was lower than the stamp duty valuation of the property.
5. Aggrieved, the assessee preferred an appeal before the Ld. CIT(A). The Ld. CIT(A) observed that the assessee remained non-compliant and failed to respond to the statutory notices issued during the appellate proceedings. It was further noted that the assessee did not furnish the necessary documentary evidences, including the return of income, computation of income, bank statements, property sale documents, details of capital gains, valuer's report, submissions made before the AO, or the working of capital gains. In the absence of supporting material, the Ld. CIT(A) held that the claim of the assessee remained unsubstantiated and accordingly confirmed the addition made by the AO.

6. Before us, the Ld. AR primarily challenged the validity of the reassessment proceedings by contending that the notice under section 148 of the Act was issued without proper approval of the prescribed authority. Alternatively, it was submitted that the order of the Ld. CIT(A) was passed ex parte and one more opportunity may be granted to the assessee to substantiate his claim on merits.
7. Per contra, the Ld. Departmental Representative (DR) submitted that the assessee failed to respond to multiple notices issued by the Ld. CIT(A) and did not furnish the requisite documentary evidences. It was therefore contended that no further opportunity should be granted and the orders of the lower authorities deserve to be sustained.
8. We have carefully considered the rival submissions and perused the material available on record. It is an undisputed fact that the Ld. CIT(A) issued several notices which remained uncomplied with and the conduct of the assessee does indicate lack of due diligence. At the same time, we note that the legal ground relating to the sanction for issuance of notice under section 148 of the Act was not raised before the Ld. CIT(A), and the relevant details regarding such sanction are also not clearly discernible from the assessment order placed before us.
9. Considering the totality of facts and in the interest of substantial justice, we deem it appropriate to restore the matter to the file of the Ld. CIT(A) for fresh adjudication. The assessee shall be at liberty to raise all legal and factual grounds, including the ground relating to validity of reassessment, before the Ld. CIT(A). The assessee is directed to promptly comply with all notices and furnish the requisite submissions and documentary evidences without seeking unnecessary adjournments. It is made clear that any further non-compliance shall entitle the Ld. CIT(A) to decide the matter based on material available on record.

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

Order pronounced in the open court on 24/02/2026

Sd/-

(NARENDER KUMAR CHOUDHRY)
Judicial Member

Sd/-

(JAGADISH)
Accountant Member

Mumbai, Dated: 24/02/2026
Ashwani Rao
Sr. Private Secretary

Copy of the order forwarded to:

1. Appellant
2. Respondent
3. The CIT
4. The CIT (Appeals)
5. The DR, I.T.A.T.

By order

(Assistant Registrar)
ITAT, Mumbai