

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

**ITA No. 8385/Mum/2025**  
**Assessment Year: 2017-18**

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| <b>Ankita Builders</b><br>Survey No.15/7 Kamlakar<br>Nagar, Khojgoan Ambernath -<br>W, Maharashtra-421505<br><br>PAN: AARFA2290D | Vs. | <b>DCIT, Circle 2</b><br>DCIT Circle 2, 2 <sup>nd</sup> Floor, Mohan<br>Plaza, Wayale Nagar, Khadak<br>Pada, Kalyan(West), Mumbai-<br>421301 |
| (Appellant)  |     | (Respondent)   |

|               |                             |
|---------------|-----------------------------|
| Assessee by   | Shri Venugopal Nair         |
| Department by | Shri Surendra Mohan, SR. DR |

|                       |            |
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| Date of Hearing       | 24.02.2026 |
| Date of Pronouncement | 27.02.2026 |

**ORDER**

**Per: SHRI JAGADISH, A.M.:**

1. This appeal filed by the assessee is directed against the order dated 24.01.2023 passed by the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi ["Ld. CIT(A)"] for the Assessment Year 2017-18, arising out of the assessment framed under section 143(3) of the Income-tax Act, 1961 ("the Act").

2. At the outset, it is noticed that there is a delay of 980 days in filing the present appeal. The Ld. Authorised Representative (AR) submitted that the delay was neither intentional nor deliberate but occurred due to circumstances beyond the control of the assessee. An affidavit of one of the partners, Smt. Needu D. Wadhwa, has been placed on record stating that the Chartered Accountant handling the tax matters of the assessee-firm had suffered multiple strokes during the financial years 2023–2024 and was hospitalized for a prolonged period. Medical certificates substantiating the said illness have also been filed. It has further been explained that a close family member of the said partner was also seriously ill and hospitalized during 2024, due to which the partner was preoccupied with medical exigencies. It is stated that the assessee became aware of the appellate order and the consequential non-filing of appeal only when the matter was taken up by a new Chartered Accountant. Immediately thereafter, steps were taken to file the present appeal. Having considered the contents of the affidavit, the medical evidence placed on record, and the submissions made before us, we are satisfied that the delay was occasioned due to reasonable and bona fide causes and was not attributable to any mala fide intention or deliberate inaction on the part of the assessee. In the interest of substantial justice, the delay of 980 days is condoned, subject to payment of cost of ₹33,000/-. The assessee is directed to deposit the said cost under the head “Other Receipts” of the Income-tax Department within thirty (30) days from 24.02.2026 and furnish proof of payment before the Registry. The appeal is admitted for adjudication on merits.
3. Briefly stated, the assessee-firm filed its return of income on 31.03.2018 declaring total income of ₹1,61,41,250/-. The assessment was completed under section 143(3) of the Act wherein the Assessing

Officer, inter alia, made an addition of ₹64,12,580/- on account of difference between the market value and the agreement value in terms of section 43CA of the Act and further disallowed expenses amounting to ₹5,12,308/-. Aggrieved, the assessee preferred an appeal before the Ld. CIT(A).

4. The Ld. CIT(A) issued three statutory notices of hearing. Since there was no compliance from the assessee, the Ld. CIT(A) proceeded to dispose of the appeal ex parte and confirmed the additions made by the Assessing Officer.
5. Before us, the Ld. Authorised Representative submitted that the impugned order was passed ex parte without adequate opportunity to the assessee and pleaded that one more opportunity may be granted to present the case on merits before the Ld. CIT(A).
6. The Ld. Departmental Representative, on the other hand, strongly opposed the plea and submitted that despite multiple opportunities the assessee failed to respond and therefore no further indulgence is warranted.
7. We have heard the rival submissions and perused the material available on record. It is an undisputed fact that the notices issued by the Ld. CIT(A) remained uncomplied with and the conduct of the assessee does reflect lack of due diligence. However, we also note that the appeal has been disposed of ex parte without examination of the issues on merits. In our considered view, in the interest of substantial justice and in keeping with the principles of natural justice, one final opportunity deserves to be granted to the assessee. Accordingly, the impugned order of the Ld. CIT(A) is set aside and the matter is restored to his file for fresh adjudication in accordance with law after providing reasonable opportunity of being heard to the assessee. The assessee is directed to promptly comply with all notices that may be issued by the

Ld. CIT(A) and is cautioned that any further non-compliance may entail adjudication based on the material available on record.

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

*Order pronounced in the open court on 27/02/2026*

**Sd/-**

**(NARENDER KUMAR CHOUDHRY)**  
**Judicial Member**

**Sd/-**

**(JAGADISH)**  
**Accountant Member**

Mumbai, Dated: 27/02/2026

*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