



IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCHES "SMC", PUNE

BEFORE DR.MANISH BORAD, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA Nos.240 and 231 /PUN/2026
Assessment Years : 2017-18 and 2018-19

Subhash Baburao Aher, Type A-01 Deepraj Row House, Untwadi Cidco, Nashik-422009 PAN: AAVPA6171D	Vs.	Income Tax Officer Ward 3(1), Nashik
Appellant		Respondent

Assessee by	:	CA Abhilasha Pawar (Virtual)
Revenue by	:	Shri Dayanand Jawalikar
Date of hearing	:	12.03.2026
Date of pronouncement	:	17.03.2026

आदेश / ORDER

The captioned appeals at the instance of assessee pertaining to A.Yrs. 2017-18 and 2018-19 are directed against the separate orders dated 12.12.2025 framed by National Faceless Appeal Centre, Delhi (NFAC) arising out of respective Assessment Orders dated 02.03.2021 passed u/s. 147 of the Income Tax Act, 1961 (in short 'the Act').

2. I will first take up ITA No.240/PUN/2026 for A.Y. 2017-18. Brief facts of the case are that the assessee is an individual working with Mahindra and Mahindra Limited. Income of Rs.2,83,720/- declared in the return e-filed on 23.07.2017. A survey action u/s.133A of the Act was conducted at the premises of Kishor Rajendra Patil wherein it was admitted by him that he had filed returns of various employees claiming bogus deductions, in which the assessee is also covered. Case of the assessee selected for scrutiny and valid statutory notices served on the assessee and the assessee has furnished replies. However, ld. Assessing



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Officer concluded the assessment making the three additions namely; (i) Disallowance of loss from house property -Rs.96,200/-; (ii) Disallowance of claim u/s.80GG – Rs.60,000/-; and (iii) Disallowance of claim u/s.80C – Rs.1,62,540/-. Income assessed at Rs.6,02,640/-.

3. Aggrieved assessee preferred appeal before ld.CIT(A) contesting the additions made by the Assessing Officer but with a delay of 807 days. Ld.CIT(A) has not condoned the delay and dismissed the appeal of the assessee *in limine*. While doing so, ld.CIT(A) also observed that “*from the grounds of appeal as per Form 35, it appears that the appellant is aggrieved with the order u/s.270A of the Act for the same assessment year but the appeal was filed against the assessment order u/s.147 of the Act*”.

4. Now the assessee is in appeal before this Tribunal challenging the impugned order contending that reporting of income was due to wrong action of Tax Consultant and the assessee has filed all evidences substantiating the deductions claimed before the authorities. Assessee has also claimed that a complaint was also filed before against the Tax Consultant before Economic wing of Police Department.

5. I have heard the rival contentions and perused the record placed before me. In the instant case, assessment order u/s.147 of the Act was passed on 02.03.2021 and the assessee filed appeal before ld.CIT(A) on 17.06.2023 which resulted into delay of 807 days. Ld.CIT(A) has not condoned the delay in filing the appeal and dismissed the appeal of the assessee *in limine*. During the period from March, 2020 till



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May 2022, entire nation has witnessed covid-19 pandemic issue and there were restrictions on movement of general public and considering the difficulties faced by the litigants, the period of almost two years have been excluded by the Hon'ble Apex Court in the case of *Cognizance for Extension of Limitation In re (2022) 441 ITR 722 (SC)*. I have also gone through the Form No.35 filed by the assessee before Id.CIT(A). Assessee in the statement of facts filed before Id.CIT(A) has made the submissions which includes the reasons for filing the appeal with delay and the same reads as follows (relevant extract):

“4) The appellant submits that hi from a technical background. It is a salaried employee coming submitted that he is not aware of the income tax provisions and hence, he was totally dependent on the tax consultant for filing the income tax return, who misguided the appellant. It is submitted that the wrong claims were made by the tax consultant in the revised return by misleading many employees in the company, MAHINDRA & MAHINDRA LIMITED. Who had no knowledge of the income tax provisions after becoming aware of this fact, the employees also lodged a complaint against the tax consultant (Kishor Patil) with Economic Wing of Police Department and copy of the said complaint was also filed before the A.O. It is submitted that on becoming aware of the correct tax computation in the course of asst. proceedings, the assessee bonafidely paid the tax dues without contesting the additions. The appellant submits that he is a salaried employee who is a regular tax payer over the years and no such incorrect claim was ever made by the appellant either in the past years or in subsequent years. Accordingly, it is explained that the above under reporting of income was attributable to the fact that the appellant was misguided by his tax consultant and the wrong advice of the tax consultant resulted into the under reporting of income in the present case.

5) The appellant submits that the above explanation along with substantiating evidences in the form of police complaint against tax consultant, newspaper cutting etc. was also furnished before the A.O. and all the material facts in this regard were also disclosed before the A.O. It is submitted that in the demand order, the A.O. has not controverted or rebutted the said explanation offered by the assessee. The appellant submits that the Demand & Disallowed Deductions in the instant case without rebutting the



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explanation offered by the appellant is not justified. The appellant reiterates that the bona fides of the explanation were duly established from the fact that the appellant is a regular tax payer coming from technical background who was totally dependent on the tax consultant for filing income tax return. The bona fides of the appellant are also clear from the fact that no such incorrect claim was ever made by him in any of the other years and that he was a victim of fraud committed by the tax consultant against a bunch of employees working at MAHINDRA AND MAHINDRA LTD, CEAT LIMITED, HINDUSTAN AERONAUTICS LIMITED, BOSCH LIMITED etc. who had also filed a police complaint against the tax consultant. Accordingly, it is prayed that in view of the explanation furnished by the appellant, the A.O. may please be directed to delete the Demand u/s 156 in the instant case.

6) There was no such malafide intention of hiding any income or compliance was caused only due to Lockdown situation and non-availability of on-line portal. The appellant requested to drop the penalty proceeding; therefore, this appeal has-been submitted. We are herewith submitting all the required supporting documents.”

6. On due consideration of the above peculiar facts and the reasons giving rise to delay, I find that due to ‘reasonable cause’ assessee could not filed the appeal within the stipulated time. Placing reliance on the judgments of Hon’ble Apex Court in the case of *Collector, Land Acquisition, Anantnag & Anr. Vs. Mst. Katiji & Ors. reported in (1987) 2 SCC 107* and in the case of *Inder Singh Vs. State of Madhya Pradesh judgment dated 21.03.2025 (2025 INSC 382)* I hereby condone the delay of before ld. CIT(A)

7. Before me, ld. Counsel for the assessee that assessee was dependent on the Tax Consultant who gave wrong advise. However, assessee in the revised computation of income has paid due taxes and the assessee possess all the evidences substantiating the deductions. A prayer is made to afford one more opportunity to the assessee. On the other hand, ld. DR supported the order of ld.CIT(A).



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8. However, considering the fact that assessee has furnished the details about the deductions claimed under Chapter VIA of the Act along with Form 16 issued by the employer during the appellate proceedings before ld.CIT(A), I deem it appropriate to remit back the issues raised in the instant appeal in light of prayer made by ld. Counsel for the assessee to the file of ld.CIT(A) for *denovo* adjudication in accordance with law. Assessee is also directed to remain vigilant and not to take adjournment unless otherwise required for reasonable cause, failing which the ld.CIT(A)/NFAC shall be free to proceed in accordance with law. Findings of the CIT(A)/NFAC is set aside and Grounds of appeal raised by the assessee for A.Y. 2017-18 are allowed for statistical purposes.

9. The facts and issues relating to A.Y. 2018-19 also remain same. Therefore, the decision taken for A.Y. 2017-18 in para 8 above, remitting the issues to the file of ld.CIT(A) would apply *mutatis mutandis* to this appeal as well.

10. In the result, both the appeals of the assessee are allowed for statistical purposes.

Order pronounced on this 17th day of March, 2026.

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 17th March, 2026.

Satish



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आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "SMC" बेंच,
पुणे / DR, ITAT, "SMC" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Assistant Registrar,
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.