

IN THE INCOME TAX APPELLATE TRIBUNAL

"B" BENCH, MUMBAI

BEFORE SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER

SHRI JAGADISH, ACCOUNTANT MEMBER

ITA No. 292/Mum./2026

(Assessment Year : 2020-21)

Bharati Chandrahas Karajgi,

C 2404, Mahindra Splendour,

LBS Marg, Bhandup West,

Mumbai – 400078

PAN : AWPPK9320E

..... Appellant

v/s

Income Tax Officer, Ward - 42(2)(1),

Kautilya Bhavan, C 41-43, Avenue 3,

Near Videsh Bhavan, G Block BKC,

Gilban Area, Bandra Kurla Complex,

Bandra East

Mumbai – 400051

..... Respondent

Assessee by : Ms. Manisha Ghind (virtually appeared)

Revenue by : Shri Swapnil Choudhari, SR. DR

Date of Hearing – 01/04/2026

Date of Order – 07/04/2026

ORDER

PER SANDEEP SINGH KARHAIL, J.M.

The assessee has filed the present appeal against the impugned order dated 28/11/2025, passed under section 250 of the Income Tax Act, 1961 (*"the Act"*) by the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, [*"learned CIT(A)"*], for the assessment year 2020-21.

2. In this appeal, the assessee has raised the following grounds: -

"1. On the facts and circumstances of the case, the Hon'ble CIT(A) has erred in passing an appellate order without having granted any opportunity of being heard (i.e. without having issued any effective notice asking appellant to, file its submission)

2. On the facts and circumstances of the case, the Hon'ble CIT(A) has erred in, dismissing the appellant's appeal merely on account of not condoning the delay. without appreciating not only the facts of the case (i.e. the reason for there being an unintentional delay) but without even having considered the merits/demerits of the addition made by the Ld. assessing officer.

Without prejudice to the above, the appellant submits that:

3. passing an order u/s. 148 A(d) of the Income Tax Act. 1961 and before issuance of notice u/s.148 of the Income Tax Act,1961 in as much as the Ld. JAO ought to have atleast called for the copy of bank statements and the portfolio statements from the fund manager as has been held by Hon'ble Delhi ITAT SMC bench in the case of Manveer Singh v/s Income Tax Officer Ward -1(4) Ghaziabad in TA No. 2976/Del/2022.

4. On the facts and circumstances of the case, the Hon'ble CIT(A) has erred in issuing notice issued u/s 148 of the Income Tax Act 1961, dated 23/03/2024, without appreciating the fact that post introduction of amended provisions of law i.e. introduction of faceless assessment scheme, coupled with introduction of c-assessments of income escaping assessments scheme, dated 29/03/2022) the same could not have been issued by JAO as has been held by Hon'ble Jurisdictional High Court.

5. On the facts and circumstances of the case, the Hon'ble CIT(A) has erred in completing a high pitched assessment. without having carried out any verification and/or without having called for relevant information from the Mutual Fund managers u/s. 133(6) of the Income Tax Act. 1961 and/or without having shared any such information with the under signed even if the same was called for from the fund managers, as it apparently appears from the observations given by the assessing officer in Para 3.3 of the Assessment Order.

6. On the facts and circumstances of the case, the Hon'ble CIT(A) has erred in invoking provisions of section 11SBBE of the Income Tax Act.1961, with regard to taxability of an alleged amount of Rs. 46,80,000/- treating the same as alleged unexplained investment, u/s. 69 of the Income Tax Act,1961.

7. On the facts and circumstances of the case, the Hon'ble CIT(A) has erred in raising demand of Rs.97,34,270/-, without having allowed credit of TDS amounting to Rs.6,62,984/-, inspite of the same having been deducted and paid by appellant's employer M/s. Accenture Solutions Pt Ltd, and the same duly appearing in the Form 26AS, copy of which too is attached herewith.

8. The appellant craves leave to add, amend, alter & for vary any of the grounds on or before the hearing of this appeal.

9. The appellant therefore prays that initiation of re-assessment proceedings not being in accordance with the amended provision of law, the order passed deserves to be and may please be annulled and/or the addition of

Rs.46.80,000/- made by the assessing officer not being in accordance with the provisions of law, deserves to be and may please be deleted."

3. It is evident from the record that the learned CIT(A) dismissed the appeal filed by the assessee on the ground of delay without adjudicating the grounds raised by the assessee on merits against the additions made vide order passed under section 147 read with section 144 read with section 144B of the Act. In its appeal before the learned CIT(A), the assessee made the following submissions seeking condonation of delay and deletion of the addition made by the AO: -

"Sir/Madam, the present appeal is being- filed against assessment order passed u/s 147 r.w.s. 144 of the Income Tax Act, 1961, dated 28/02/2025 and as such there is an apparent/ unintentional delay of 145 days in filing of appeal.

Sir/Madam, as a matter of fact, before the initiation of the assessment proceedings itself, appellant's father Shri Chandrahas Vamanrao Karajgi, being critically ill, appellant could not concentrate on her tax affairs, resulting into assessment having being completed in an ex-parte manner. The unfortunate fate of the illness of appellant's father resulted into his sad demise on 17/09/2024, whereafter appellant being suffering from the severe shock of loss of her beloved father, could not even file an appeal within the permissible time limits, resulting into there being an unintentional delay of 145 days in filing of this present appeal.

Sir/Madam, without prejudice to the above I may humbly submit that it is an established proposition of law, that if on merits an appeal is likely to be decided in favour of the appellant, the same should not be denied/ rejected merely for a technical reason i.e. merely due to delay in filing particularly because no assessee would stand to benefit by lodging an appeal late and as such it is prayed that apparent unintentional delay may please be condoned and appeal may please be adjudicated upon in the interest of justice and oblige.

Sir/Madam, the delay being not only unintentional, but there being no prejudice caused to the revenue because the appellant's source of income being salary was liable to tax. It is requested that delay in filing of appeal may please be condoned and an opportunity of being heard may please be granted so as to enable her to place the facts of record so as to be adjudicated by your honours and oblige."

4. We find that the reasons stated by the assessee for seeking condonation of delay fall within the parameters for grant of condonation laid down by the

Hon'ble Supreme Court in the case of Collector Land Acquisition, Anantnag Vs. MST Katiji and others: 1987 SCR (2) 387. It is well established that rules of procedure are handmaid of justice. When substantial justice and technical considerations are pitted against each other, the cause of substantial justice deserves to be preferred. In the present case, the assessee did not stand to benefit from the late filing of the appeal. Therefore, we are of the considered view that the assessee has proved sufficient cause for not filing the appeal before the learned CIT(A) within the prescribed limitation period. Accordingly, in view of the facts and circumstances as noted above, we are of the view that the learned CIT(A) erred in not condoning the delay in a similar factual matrix in the case of the assessee.

5. We find that during the assessment proceedings, the assessee could not produce the document as sought by the AO, and therefore, the assessment was completed on the best judgment basis under section 147, read with section 144, read with section 144B of the Act, on the basis of the material available on record. During the hearing, the learned AR submitted that, due to the critical illness of the assessee's father, she could not concentrate on her tax matter, resulting in the assessment being completed ex parte.

6. Therefore, in the facts and circumstances as noted above, we are of the considered view that, in the interest of justice and fair play, the assessee be granted one more opportunity to represent its case on merits and produce all the documents in support of its claim. Since in the present appeal, the assessee also did not appear before the AO, we deem it fit and proper to restore the matter to the file of the jurisdictional AO for *de novo* adjudication

on merit after considering all the details/submissions as may be filed by the assessee and after providing due opportunity of hearing to the assessee. The assessee is directed to cooperate in the assessment proceedings and furnish all the details as may be sought by the AO for complete adjudication. As the matter is being restored to the jurisdictional AO for adjudication on merits, the other grievances raised by the assessee in the present appeal do not call for adjudication at this stage. Accordingly, the impugned order is set aside, and the grounds raised by the assessee are allowed for statistical purposes.

7. In the result, the appeal by the assessee is allowed for statistical purposes.

Order pronounced in the open Court on 07/04/2026

**Sd/-
JAGADISH
ACCOUNTANT MEMBER**

**Sd/-
SANDEEP SINGH KARHAIL
JUDICIAL MEMBER**

MUMBAI, DATED: 07/04/2026
Prabhat

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The PCIT / CIT (Judicial);*
- (4) *The DR, ITAT, Mumbai; and*
- (5) *Guard file.*

By Order

Assistant Registrar
ITAT, Mumbai