

IN THE INCOME TAX APPELLATE TRIBUNAL

"F" BENCH, MUMBAI

BEFORE SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER

SHRI JAGADISH, ACCOUNTANT MEMBER

ITA No. 455/Mum./2026

(Assessment Year : 2014-15)

Vishnu Bapuji Trust,

B/2 Kamdar Park, Gokhale Road,

Dadar, Mumbai – 400028

PAN : AAATV0145P

..... Appellant

v/s

Income Tax Officer, Ward - 22(2)(1),

Room No.312, 3rd Floor,

Piramal Chamber, Lal Baug,

Parel, Mumbai – 400012

..... Respondent

Assessee by : Shri K. Gopal, Adv.

Shri Om Kandalkar

Revenue by : Shri Abhirama Karthikeyan, 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 25/03/2025, 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 2014-15.

2. The present appeal is delayed by 234 days. Along with the appeal, the assessee has filed an application seeking condonation of the delay, submitting as follows: -

"The Applicant is moving the present application to condone the delay of 234 days in filing the appeal against the order dated 25.03.2025 passed by the National Faceless Appeal Centre, Delhi (hereinafter referred to as NFAC") u/s. 250 of the Income tax Act, 1961 (hereinafter referred to as Act). The appeal has become time barred on 31.05.2025 and therefore, there is a delay of 234 days in filing the present appeal. Thus, the Applicant requests your honors to kindly condone the delay of 234 days after considering the following submissions:

1. *The Applicant is a Private Trust and had filed its return of income on 30.07.2014 declaring its total income as NIL for A.Y. 2014-15. As the trustees looking after the Applicant Trust were not well versed with taxation, all the income tax related compliances were looked after by Mr.Ajit G. Pendse, Chartered Accountant who used to look after the accounts,audit and taxation of the Applicant. Hence, for income tax compliance purposes, the said tax consultant had provided his email ID i.e.,itcamay@yahoo.com as the primary mail ID on the Applicant's income tax portal.*

However, the Ld. A.O. issued a notice dated 22.07.2022 u/s. 148 of the Act on the ground that the stamp duty value of the property acquired by the Applicant exceeded the value of consideration paid by the Applicant. Thereafter, the Ld. A.O. passed the assessment order on 24.05.2023 u/s. 147 r.w.s. 144B of the Act which resulted in a huge demand of Rs.2,52,90,396/- for the year under consideration.

Aggrieved by the assessment order, the Applicant filed an appeal before NFAC under the guidance of the said tax consultant on 12.06.2023. However, the as the email ID of the tax consultant was not operational/blocked due to safety/password-related issues, the tax consultant mentioned metakapsjadhav@gmail.com as the official email ID while filing the Form No.35. The same belonged to one of the trustees of the Applicant. However, the said trustee was not informed regarding the same. Thereafter, the NFAC issued the following notices which were served as under:

<i>Date of notice</i>	<i>Issued to</i>	<i>CC</i>
<i>01.10.2023</i>	<i>itcamay@yahoo.com</i>	<i>metakapsjadhav@gmail.com</i>
<i>20.08.2024</i>	<i>itcamay@yahoo.com</i>	<i>-</i>
<i>25.11.2024</i>	<i>itcamay@yahoo.com</i>	<i>-</i>
<i>25.03.2025</i>	<i>itcamay@yahoo.com</i>	<i>-</i>

However, as the said trustee was under a bonafide belief that all the income tax appeal related correspondences were being looked after by the tax consultant only, the said trustee never accessed its email ID. Hence, the notice issued by the NFAC remained unnoticed. Moreover, as the email ID of the tax

consultant was not operational/blocked due to safety/password-related issues, the notices issued by the NFAC remained unnoticed by the said tax consultant. It was only in the month of November 2025 that the tax consultant was able to retrieve his email ID. Therefore, the Applicant as well as the tax consultant were totally unaware of the notices issued by the NFAC and were under a bonafide belief that the appeal before the NFAC was still pending."

3. The assessee has also filed an affidavit of the Trustee of the assessee-Trust to support its submissions in the application seeking condonation of delay. Further, the assessee has also placed on record an affidavit of the Chartered Accountant of the assessee on whose e-mail address the notices issued by the learned CIT(A) were sent and remain unnoticed.

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. In view of the above and having perused the application and affidavits filed by the assessee, we are of the considered view that there exists sufficient cause for not filing the present appeal within the prescribed limitation period. Therefore, we condone the delay in filing the appeal by the assessee, and we proceed to decide the appeals.

5. In its appeal, the assessee has raised the following grounds: -

"I. On violation of principles of natural justice:

1. *The National Faceless Appeal Centre, Delhi (hereinafter referred to as NFAC") has passed the impugned ex-parte order dated 25.03.2025 u/s. 250 of the Act without providing any reasonable opportunity of being heard to the Appellant. Hence, the impugned order passed by the NFAC is in gross violations of the principles of natural justice i.e., audi alteram partem and therefore, the same deserves to be set aside.*

II. On merits:

2. *The NFAC has erred in passing the impugned order dated 23.03.2022 confirming the addition of Rs.3,55,00,000/- by treating the stamp duty value of the property purchased as unexplained investment u/s 69 of the Act without appreciating the facts and circumstances of the present case. Hence, the impugned order passed by the NFAC is bad in law.*

3. *The NFAC is not justified in passing the impugned order confirming the addition of Rs.3,55,00,000/- u/s. 69 of the Act as unexplained investment without appreciating the fact that the actual consideration paid for purchase of the property as per the registered sale deed was Rs.1,80,00,000/- only. Hence, the addition u/s.69 of the Act is erroneous.*

4. *The NFAC has erred in sustaining the addition u/s. 69 of the Act and in treating the transaction of purchase of property as unexplained investment without appreciating the fact that the said transaction was duly recorded in the books of account and reflected in the balance sheet of the Appellant. Hence, the basic condition for invoking the provisions of section 69 of the Act have not been satisfied and therefore, the said addition ought to be deleted.*

5. *The NFAC is not justified in confirming the addition made u/s. 69 of the Act as unexplained investment by rejecting the explanation of the Appellant regarding availability of accumulated funds out of rental income, without carrying out any independent verification or bringing any contrary material on record. Hence, the addition u/s. 69 of the Act is unjust and invalid.*

6. *The NFAC has passed the impugned order dated 25.03.2025 confirming the addition/s. 69 of the Act without appreciating that the Appellant has discharged the onus u/s. 69 of the Act by providing all the relevant documentary evidences to substantiate the identity, genuineness, and creditworthiness of the said transaction.Hence, the addition made u/s. 69 of the Act is unlawful and deserves to be deleted.*

7. *The NFAC erred in facts in considering the Stamp Duty Value at Rs. 3,55,00,000/-instead of correct Stamp duty Value at Rs. 3,35,55,000/- as reflected in Index II of the Agreement."*

6. The assessee has filed an application seeking admission of additional grounds of appeal. However, the said application was not pressed during the hearing.

7. We have considered the submissions of both sides and perused the material available on record. In the present case, at the outset, it is evident that the learned CIT(A) has passed the order *ex parte* due to the non-appearance of/on behalf of the assessee.

8. Now, in the appeal before us, the assessee is duly represented by the learned AR and wishes to pursue the litigation against the addition made by the AO. During the hearing, the learned AR, while explaining the non-compliance with the notices issued by the learned CIT(A), referred to the assessee's submissions in its application seeking condonation of the delay in filing the present appeal. Accordingly, the learned AR submitted that, as the notices issued by the learned CIT(A) were sent to a non-operational / blocked email address, the said notices remained unnoticed.

9. Therefore, in view of the above, we are of the considered opinion that, in the interest of justice, the assessee be hereby granted one more opportunity to represent its case on merits before the learned CIT(A). Consequently, we deem it fit and proper to set aside the impugned order and restore the matter to the file of the learned CIT(A) for de novo adjudication of the appeal on merits, after considering all the details/submissions as may be filed by the assessee. Needless to mention, no order shall be passed without affording a reasonable and adequate opportunity of hearing to the parties. Further, the assessee is directed to furnish/update its Email address in the records before the learned CIT(A) so that the hearing notice(s) are sent to the operational email address. Thus, the assessee is directed to appear before the learned CIT(A) on all dates of hearing as may be fixed without any

default. Accordingly, the grounds raised by the assessee are allowed for statistical purposes.

10. 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