IN THE INCOME TAX APPELLATE TRIBUNAL, 'G' BENCH MUMBAI

BEFORE: SHRI AMIT SHUKLA, JUDICIAL MEMBER
&
SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER

ITA No.3958/Mum/2025 & 3959/Mum.2025
(**Assessment Year :2017-18 & 2014-15**)

S.D. Bhalerao Constructions Pvt. Ltd., Project Building No.58 JV B-101, Pragati Society Building No.30, Kher Nagar Bandra East S.O. Mumbai- 400 051	Vs.	DCIT, Circle 19(3) Mumbai
PAN/GIR No.AAGASO772G		
(Appellant)	..	**(Respondent**)

Assessee by	Shri Hardik Vora
Revenue by	Shri Swapnil Choudhary, Sr. AR
Date of Hearing	**04/11 /2025**
Date of Pronouncement	**12/11/2025**

आदेश / O R D E R

PER BENCH:

These two appeals filed by the assessee arise from the orders passed by the National Faceless Appeal Centre dated 03/10/2023 for A.Y. 2017-18, pertaining to assessment under section 144 of the Act, and dated 18/08/2023 for A.Y. 2014-15, pertaining to assessment under section 143(3). Since the issues involved are substantially similar and interconnected, both appeals are being disposed of by this consolidated order.

2. The appeals are admittedly delayed by 520 days and 581 days, respectively. The assessee has filed petitions for condonation of delay supported by an affidavit narrating the circumstances that led to the belated filing. It has been explained that the assessee's long-serving Accountant, who was entrusted with maintaining and monitoring all official e-mail communication, resigned from service. A new Accountant was subsequently appointed, but as part of the transition, the newly appointed Accountant did not retrospectively examine prior e-mails to identify pending departmental communications.

3. Owing to this administrative transition, the assessee remained completely unaware that orders of the learned CIT(A) had already been passed and communicated electronically. It has been stated that the assessee first became aware of the existence of these appellate orders only when penalty proceedings for A.Y. 2017-18 were initiated through the e-proceeding portal. Upon such discovery, the representatives retrieved earlier e-mails and learnt for the first time that the appellate orders already stood passed.

4. The explanation tendered reveals that the omission was neither deliberate nor actuated by indifference, but was the result of an unexpected and unintentional administrative lapse. In the digital framework where communication is exclusively electronic, such oversights, though unfortunate,

are not implausible. The explanation appears to be bona fide and supported by a credible sequence of events, demonstrating that the delay cannot be attributed to negligence or disregard.

5. Guided by the principle that substantial justice must prevail over technicalities, and considering that the assessee has shown sufficient cause for the delay, we deem it appropriate to condone the delay in both appeals. The delay of 520 days and 581 days is accordingly condoned.

6. Turning to the merits, the assessee has challenged the estimation of profit at 7.5 percent on closing stock for both assessment years, and the disallowance under section 14A. It has been urged that the appellate proceedings before the NFAC were finalized entirely *exparte*, as the assessee was not aware of any notices, communications, or opportunities issued by the NFAC due to the very circumstances forming the basis of the condonation request.

7. The assessee has contended that it was deprived of the opportunity to produce relevant evidence, books, and explanations before the first appellate authority. A perusal of the appellate orders also shows that they contain no detailed examination of the factual matrix or the assessee's contentions on the issues of estimation or section 14A disallowance. The matters have been disposed of without the benefit of a proper contest, owing to the absence of the assessee's submissions.

8. The issues involved in both years relate to estimation of profit and disallowance under section 14A, which necessarily require a factual evaluation of the accounting records, nature of expenses, and justification for the estimation made. Without a comprehensive appraisal of the assessee's case, no meaningful adjudication on merits can be rendered.

9. In these circumstances, and in order to ensure a fair, just, and complete adjudication, we consider it appropriate to restore all issues raised in these appeals to the file of the learned CIT(A). The assessee shall extend full cooperation by responding to notices and by furnishing all supporting documents and explanations. The learned CIT(A) shall adjudicate the matters afresh, after granting due opportunity of hearing, and shall pass a speaking and reasoned order in accordance with law.

10. In the result, both appeals of the assessee are treated as allowed for statistical purposes, with the matters restored to the file of the learned CIT(A) for fresh adjudication.

Order pronounced on 12th November, 2025.

Sd/-	**Sd/-**
(GIRISH AGRAWAL)	**(AMIT SHUKLA)**
ACCOUNTANT MEMBER	**JUDICIAL MEMBER**

Mumbai; Dated 12/11/2025
KARUNA, *sr.ps*

Copy of the Order forwarded to :
1. The Appellant
2. The Respondent.
3. CIT
4. DR, ITAT, Mumbai
5. Guard file.

//True Copy//

BY ORDER,

(Asstt. Registrar)
ITAT, Mumbai