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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
CNR No. DLHC010184852026
+ **W.P.(C) 5811/2026, CM APPL. 28614/2026 & CM APPL. 41048/2026**

PARDOS DEVELOPERS PRIVATE LIMITED Petitioner
Through: **Ms. Vibhooti Malhotra, Mr. Bhuvnesh Satija, Mr. Aniket Khanduri and Mr. Aakarsh Rastogi, Advs.**

versus

NATIONAL FACELESS APPEAL CENTRE & ORS. Respondents
Through: **Mr. Ruchir Bhatia, SSC with Mr. Anant Mann, JSC, Mr. Pratyaksh Gupta, JSC for IT Department.**

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE RAJNEESH KUMAR GUPTA

% **ORDER**
25.08.2026

1. On 29.04.2026, we had passed the following order:

“1. Learned counsel for the petitioner asserts that along with the appeal filed by the petitioner-assessee against the assessment order dated 23.03.2025, an application seeking condonation of delay was also filed, but while rejecting the appeal vide order dated 17.07.2025, the Appellate Authority has proceeded as if no application under Section 249(3) of the Income Tax Act, 1961, seeking condonation of delay was filed by the petitioner.

2. Mr. Ruchir Bhatia, learned senior standing counsel for the respondent-Department prays for and is granted a week's time to complete instructions.



3. *No coercive measures for recovery of the amount pursuant to penalty order dated 28.03.2025 shall be taken till the next date of hearing.*

4. *List this case on 12.05.2026.”*

2. Mr. Anant Mann, learned counsel for the respondents at the outset submitted that the amount which was recovered from the petitioner, due to inadvertence, has been refunded back to the petitioner by way of physical cheque.

3. Ms. Vibhooti Malhotra, learned counsel for the petitioner accepted such position and agreed that petitioner’s grievance *qua* such issue stand resolved.

4. So far as petitioner’s other contention that the petitioner had filed an application seeking condonation of delay alongwith the appeal is concerned, on verification from the record, Mr. Anant Mann informed that the application was actually filed, which, due to inadvertence, escaped the attention of the Commissioner of Income Tax (Appeal) (*hereinafter referred to as ‘the CIT(A)’*).

5. Such being the position and considering that the petitioner’s appeal was dismissed by the Appellate Authority on the ground of delay, we hereby set aside the order dated 17.07.2025 passed by the CIT(A) and restore the appeal back to the Appellate Authority, for decision afresh in accordance with law.

6. Before deciding the appeal, the Appellate Authority shall obviously decide the application for condonation of delay, while considering the delay sympathetically.

7. Since, we have restored the appeal, the penalty order which the Assessing Officer (AO) has passed during the period interregnum, is also



hereby quashed and set aside, as no penalty order can be passed during the pendency of the appeal, as mandated by Section 275 of the Income Tax Act, 1961.

8. Needless to observe that the AO shall be free to pass a fresh penalty order (if so required) in accordance with law.

9. The petition is disposed of accordingly. Pending application(s) also stand disposed of.

DINESH MEHTA, J.

RAJNEESH KUMAR GUPTA, J.

AUGUST 25, 2026/sds