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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\# **CNR No. DLHC010286422026**

\+ ITA 499/2026, CM APPL. 41706/2026 & CM APPL. 41707/2026

AIRPORTS AUTHORITY OF INDIA .....Appellant

Through: Mr.Ruchesh Sinha and Ms. Monalisa Maity, Advs.

versus

DCIT CIRCLE 1(1), NEW DELHI .....Respondent

Through: Mr. Puneet Rai, SSC with Mr. Ashwini Kumar & Mr. Rishabh Nangia, JSCs.

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

O R D E R

% **10.08.2026**

1. By way of the present appeal under Section 260A of the Income Tax Act, 1961 which has been preferred by the appellant against order dated 02.02.2026 passed in Appeal No. 2408/Del./2017 by Income Tax Appellate Tribunal Bench ‘F’ Delhi *(hereinafter referred to as ‘Tribunal’)*.

2. Mr.Ruchesh Sinha, learned counsel for the appellant submitted that the Tribunal has firstly erred in proceeding *ex-parte* and then, rejecting the appeal on merit.

3. While taking the Court through the ordersheets, which the appellant has placed on record (Annexure A-6), learned counsel pointed out that on 08.09.2025, the Bench did not assemble and office had adjourned it to

30.10.2025; on 30.10.2025 also, the Bench did not function and thus, the hearing was adjourned to 24.12.2025; on 24.12.2025, the Bench did not function as well, and the case got adjourned to 02.02.2026. And on 02.02.2026, the members of the Tribunal took up the appeal for hearing and proceeded to dispose of the appeal *ex-parte*, without inquiring as to whether the notice of hearing was issued/served.

4. Mr.Sinha, learned counsel for the appellant asserted that the appellant did not receive any notice of hearing and thus, the Tribunal has erred in deciding the appeal on merit.

5. Inviting court's attention towards assertion made in Para 11 of the memo of appeal, learned counsel argued that without issuance of any notice of hearing, the Tribunal ought not to have proceeded to decide the appeal that too on merit.

6. Mr.Puneet Rai, learned Senior Standing Counsel could not refute the appellant's contention that no notice of hearing was issued to the appellant. He, however, submitted that since the appeal has been decided on merit, the appeal be decided on the merits of the issues involved.

7. Heard learned counsel for the parties.

8. On perusal of the impugned order, we find that the same has been passed *ex-parte*, without hearing the appellant.

9. On perusal of the ordersheets of the proceedings which the appellant have placed before us, we find that the Tribunal has committed a procedural irregularity. It is apparent that on three previous dates, viz. 08.09.2025, 30.10.2025 and 24.12.2025, the Tribunal did not function and the matter was adjourned or date was given by the Office of the Tribunal.

10. On 24.12.2025, when the matter got adjourned to 02.02.2026, as

contented out by the appellant, no notice of hearing was issued to the appellant. Without ascertaining as to whether the notice has been issued and served or not, the learned members have proceeded to hear the appeal and decide it on merit.

11. We may bring to the notice of all concerned that Rule 20 of the Income Tax (Appellate Tribunal) Rules, 1963 (hereinafter referred to as 'The Rule of 1963') which clearly provides that the Tribunal shall intimate parties about the date and time of hearing of the appeal. It will not be out of place to reproduce Rule 20 of the Rule of 1963 which reads as under:-

> *"Rule 20 - Date and place of hearing of appeal, how fixed.*
> *The date and place of hearing of the appeal shall be fixed with reference to the current business of the Tribunal and the time necessary for the service of the notice of appeal, so as to allow the parties sufficient time to appear and be heard in support of or against the appeal."*

12. In the absence of the service of notice upon the appellant, we are of the view that there has been a complete non-compliance with Rule 20 of the Rules of 1963 and consequently, manifest failure of justice. Hence, the order passed by the Tribunal on 02.02.2026 is clearly contrary to law.

13. We, therefore, set aside the order dated 02.02.2026 and restore the appeal to the Tribunal, to be decided afresh in accordance with law.

14. The Tribunal shall intimate fresh date of hearing to both the parties and thereafter, hear the appeal in accordance with law without being influenced by the previous order which has been passed in absentia.

15. The appeal stands allowed. All pending applications stand disposed of.

DINESH MEHTA, J.

RAJNEESH KUMAR GUPTA, J.

AUGUST 10, 2026
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