

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्न  
**IN THE INCOME TAX APPELLATE TRIBUNAL 'B' BENCH, CHENNAI**  
श्री जॉर्ज जॉर्ज के, उपाध्यक्ष एवं श्री एस.आर.रघुनाथा, लेखा सदस्य के समक्ष  
**BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT AND**  
**SHRI S.R. RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 3195/CHNY/2024

निर्धारण वर्ष/Assessment Year: 2018-19

**Shri Kannapiran,**  
29, India Trailers & India Tractors,  
Villupuram Main Road, Villianur,  
Puducherry-605 110.

**PAN: AACPK-4471-B**

(अपीलार्थी/Appellant)

**Income Tax Officer,**  
Vs. Ward-3,  
Puducherry.

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by  
प्रत्यर्थी की ओर से/Respondent by

: Mr. V.Meenakshi Sundar, FCA  
: Ms. Gouthami Manivasagam, JCIT

सुनवाई की तारीख/Date of Hearing : 25.02.2025  
घोषणा की तारीख/Date of Pronouncement : 26.02.2025

**आदेश /O R D E R**

**PER GEORGE GEORGE K, VICE PRESIDENT:**

This appeal at the instance of the assessee is directed against CIT(A) - NFAC order dated 19.10.2024, passed under section 250 of the Income Tax Act, 1961 (hereinafter called 'the Act'). The relevant Assessment Year is 2018-19. The order of the CIT(A) arises out of order imposing penalty u/s.271AAC(1) of the Act.

2. At the very outset, we notice that CIT(A) has dismissed appeal *in limine* without condoning delay of 102 days in filing appeal before him. The Ld.AR submitted reasons stated for belated filing

of appeal before CIT(A) has been extracted at para 2.7 of the impugned order of the CIT(A). The reasons stated for belated filing of appeal before CIT(A) was that due to financial difficulties the business of the assessee had stopped and there was no staff available for coordinating with the Chartered Accountant for filing the appeal, hence the delay. It was stated by the Ld.AR that CIT(A) has not given any opportunity to explain the reasons for delay in filing appeal before him. It was submitted that assessee's business had been stopped due to financial difficulties and GST registration of the assessee was cancelled. The Ld.AR has filed a paper book enclosing therein an affidavit for condonation of delay for filing appeal before the CIT(A), the order of the GST cancelling the registration, declaration of loan account as NPA etc. It was further submitted by the Ld.AR that as regards quantum assessment, the appeal is pending adjudication before CIT(A). It was submitted in the interest of justice and equity, delay of 102 days in filing appeal before the CIT(A) may be condoned and matter may be restored to the files of AO to await outcome of appeal filed as against the quantum assessment.

3. The Ld.DR supported orders of the AO and CIT(A).

4. We have heard rival submissions and perused material on record. The CIT(A) has not passed order on merits and has

dismissed the appeal *in limine* without condoning delay of 102 days in filing the appeal before him. We find from record that the assessee was not given an opportunity to explain reason for the delay in filing appeal before the CIT(A). Before the Tribunal, assessee has placed on record evidence to prove that assessee's business had stopped due to financial constraints and loan account was declared as NPA. In view of the evidences/ documents produced now before the Tribunal, we condone delay of 102 days in filing appeal before CIT(A). It is also brought on record as against quantum assessment, and appeal is pending adjudication before CIT(A). Therefore, in the interest of justice and equity, we restore the issues raised in this appeal to the files of AO. The AO is directed to await outcome of appeal filed as against the quantum assessment and thereafter, take a decision in accordance with law, after affording reasonable opportunity of being heard to the assessee.

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

Order pronounced in the open court on 26<sup>th</sup> February, 2025.

Sd/-

(एस.आर. रघुनाथा)

**(S.R. RAGHUNATHA)**

लेखा सदस्य/ACCOUNTANT MEMBER

चेन्नई/Chennai,

Sd/-

(जॉर्ज जॉर्ज के)

**(GEORGE GEORGE K)**

उपाध्यक्ष /VICE PRESIDENT

दिनांक/Dated, the 26<sup>th</sup> February, 2025

**DS**

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त /CIT, Chennai
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF.