

**IN THE INCOME TAX APPELLATE TRIBUNAL
"SMC" BENCH: BANGALORE**

**BEFORE Dr. DIPAK P. RIPOTE, ACCOUNTANT MEMBER
AND
SHRI PRAKASH CHAND YADAV, JUDICIAL MEMBER**

ITA No.1418/Bang/2025
Assessment Year:2018-19

Balakumaran Balachandran, Villa No. 101, Phoenix Paradise, Sunny Greenwoods Layout, Rayasandra Main Road, Bangalore-560099. PAN NO : AUWPK4427H	Vs.	Income Tax Officer, Ward-5(3)(2), Bangalore.
APPELLANT		RESPONDENT

Appellant by	:	Sri V. Balaji, CA
Respondent by	:	Sri Ganesh R Ghale, Advocate-Standing Counsel for Revenue

Date of Hearing	:	21.08.2025
Date of Pronouncement	:	21.08.2025

O R D E R

PER Dr. DIPAK P. RIPOTE, ACCOUNTANT MEMBER:

This is an appeal filed by Balakumaran Balachandran against the order of the Learned Commissioner of Income Tax (Appeals) (NFAC) (in short "Ld. CIT(A)") passed U/s. 250 of the Income Tax Act, 1961 (in short "the Act") for Asst Year 2018-19 on 15/04/2025 emanating from Assessment Order dated 05/11/2019 passed U/s. 143(1) of the Act.

2. Findings and Analysis:

In this case, the order U/s. 143(1) of the Act was passed for the Asst. Year 2018-19 disallowing the TDS credit claimed by the assessee. Assessee filed a rectification application before the

Centralized Processing Unit (CPC). The CPC rejected the assessee's claim U/s. 154 of the Act vide order dated 13/07/2020. Then the assessee filed an appeal before the CIT(A) on 03/08/2020 against the order U/s. 143(1) passed by the CPC, Bangalore. The Ld. CIT(A) dismissed the appeal of the assessee stating that there was a delay of 244 days and the assessee had not given sufficient reason to explain the delay. Thus, the Ld. CIT(A) dismissed the appeal as not admitted. Aggrieved by the order of the Ld. CIT(A), the assessee filed appeal before this Tribunal.

3. It is noted that the assessee had filed a condonation petition before the Ld. CIT(A) explaining all the facts. During that period the assessee was a Non-Resident Indian (NRI). The order U/s. 143(1) of the Act for the Asst. Year 2018-19 was passed on 05/11/2019. Then, the assessee filed a petition for rectification U/s. 154 of the Act before the CPC. The CPC vide order dated 13/07/2020 rejected the rectification request of the assessee seeking TDS credit. Then, the assessee filed an appeal before the Ld. CIT(A). All these facts are mentioned in the condonation petition. If we calculate the period from the date of order U/s. 154 of the Act which is 13/07/2020 and the appeal filed by the assessee before the Ld. CIT(A) is 03/08/2020 then, it can be observed that the assessee has immediately filed the appeal. In these circumstances of the case, it is noted that the assessee was pursuing alternate remedy in the form of rectification. Therefore, there was a valid reason for delay in filing the appeal

before the Ld. CIT(A). Even otherwise, Income Tax Department is not going lose anything by verifying the assessee's claim of TDS and deciding it based on the law. Substantial justice is more important than procedural delays. In these facts and circumstances of the case, we direct the Ld. CIT(A) to condone the delay and decide the appeal of the assessee on merits. Ld. CIT(A) shall provide proper opportunity of being heard to the assessee.

4. In the result, appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 21st August, 2025

Sd/-
(Prakash Chand Yadav)
Judicial Member

Sd/-
(Dr. Dipak P. Ripote)
Accountant Member

Bangalore,
Dated: 21st August, 2025.
OKK/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The DR, ITAT, Bangalore.
5. Guard file

By order

Asst. Registrar,
ITAT, Bangalore.