

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad ‘ DB-A ‘ Bench, Hyderabad

श्री रविश सूद, न्यायिक सदस्य एवं श्री मधुसूदन सावड़िया लेखा सदस्य समक्ष।
Before Shri Ravish Sood, Judicial Member
A N D
Shri Madhusudan Sawdia, Accountant Member

आ.अपी.सं / **ITA No.911/Hyd/2025**
(निर्धारण वर्ष / Assessment Year: 2018-19)

Ekashila Reddy Sankshema Sangam, Warangal PAN:AAAAE8858K	Vs.	Income Tax Officer Ward 1 Warangal
(Appellant)		(Respondent)
निर्धारिती द्वारा / Assessee by:		Shri S. Rama Rao, Advocate
राजस्व द्वारा / Revenue by:		Shri Gurpreet Singh, Sr.DR
सुनवाई की तारीख / Date of hearing:	28/10/2025	
घोषणा की तारीख / Pronouncement:	31/10/2025	

आदेश/ORDER

Per Madhusudan Sawdia, A.M.:

This appeal is filed by Ekashila Reddy Sankshema Sangam, (“the assessee”), feeling aggrieved by the order passed by the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi (“Ld. CIT(A)”) dated 16.05.2025 for the A.Y. 2018-19.

2. The assessee has raised the following grounds of appeal:

- 1) The order of learned CIT (A) is erroneous both on facts and in law;
- 2) The learned CIT (A) erred in not condoning the delay of 17 days in filing the appeal and in disposing the appeal in limini;
- 3) The order of the Assessing Officer is illegal as the notice u/s 148A(b), order u/s 148A(d) and the notice u/s 148 were not issued by the appropriate authority and that the assessment is not validly made.
- 4) The learned CIT (A) erred in not adjudicating the ground with regard to the addition made by the Assessing Officer of Rs.53,86,555/- on the ground that the assessee did not explain the deposits made;
- 5) The learned CIT (A) ought to have considered the fact that the amounts were collected from its members and the amounts were also paid to its members and the appellant is working on the principles of mutuality besides being a charitable organisation;
- 6) The learned CIT (A) ought to have seen that the income is exempt from tax and the deposits were properly explained and, therefore, no addition should have been by the Assessing Officer;
- 7) Any other ground/grounds that may be urged at the time of hearing;

3. The brief facts of the case are that the assessee is a Society, had filed an appeal before the Ld. CIT(A) against the order passed by the Learned Assessing Officer ("Ld. AO") for the Assessment Year 2018-19 under section 147 read with sections 144 and 144B of the Income Tax Act, 1961 ("the Act"), dated 01.03.2024. However, there was a delay of 17 days in filing the said appeal before the Ld. CIT(A). The Ld. CIT(A) dismissed the

appeal of the assessee on the grounds of non-prosecution as well as limitation, having refused to condone the delay.

4. Aggrieved with the order of the Ld. CIT(A), the assessee is in appeal before this Tribunal. The Learned Authorized Representative (“Ld. AR”) invited our attention to column no.15 of Form No.35, wherein the assessee had explained the reason for delay as the time taken to prepare and compile the requisite information and documents for filing the appeal. Further, the assessee has filed a condonation petition along with a duly sworn affidavit, explaining the reasons for delay. It was submitted that the President of the assessee-society, who was attending to tax matters, was suffering from viral fever during the relevant period, which caused an inadvertent delay in filing the appeal. In support of this contention, the assessee placed on record a copy of the medical report of the President of the assessee society. The Ld. AR contended that the delay was neither deliberate nor intentional but was due to bona fide and unavoidable circumstances beyond the control of the assessee. He therefore prayed that, in the interest of substantial justice, the delay in filing the appeal before the Ld. CIT(A) be condoned.

5. Further, as regards the non-response before the Ld. CIT(A), the Ld. AR submitted that due to certain unavoidable circumstances, the assessee could not comply with the notices issued during the appellate proceedings. He further submitted that the assessee had no benefit in avoiding the appeal

proceedings, and therefore, considering the principles of natural justice, he prayed for provision of one more opportunity to the assessee to prosecute the appeal on merits.

6. Per contra, the Learned Departmental Representative (“Ld. DR”) opposed the condonation of delay and supported the order of the Ld. CIT(A). It was contended that the assessee had failed to show reasonable cause before the Ld. CIT(A) for condonation, and hence, there was no infirmity in the action of the Ld. CIT(A) in dismissing the appeal on the ground of limitation.

7. With respect to the dismissal for non-prosecution, the Ld. DR submitted that the Ld. CIT(A) had provided adequate opportunities to the assessee, which the assessee failed to avail. Therefore, no further opportunity should be granted, and the order of the Ld. CIT(A) deserves to be sustained.

8. We have carefully considered the rival submissions and perused the material available on record. It is observed that the delay of 17 days in filing the appeal before the Ld. CIT(A) has been properly explained by the assessee through an affidavit and supporting medical documents showing illness of the President of the society during the relevant period. In our considered view, the delay is minor and unintentional, and the explanation offered constitutes a reasonable cause. It is a settled principle that technicalities should not defeat substantial justice. Accordingly,

we are inclined to condone the delay of 17 days in filing the appeal before the Ld. CIT(A).

9. As regards dismissal of the appeal for non-prosecution, we observe that the assessee could not effectively represent its case due to unavoidable circumstances. In the interest of justice and fair play, we deem it appropriate to remand the matter to the file of the Ld. CIT(A) for fresh adjudication on merits, after affording the assessee a reasonable opportunity of being heard. The assessee shall be at liberty to file all necessary evidence and submissions in support of its claim. The Ld. CIT(A) is directed to decide the appeal on merits in accordance with law. At the same time, the assessee is also directed not to seek unnecessary adjournments and to cooperate in the appellate proceedings.

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

Order pronounced in the Open Court on 31st October, 2025.

Sd/-

Sd/-

(RAVISH SOOD) JUDICIAL MEMBER	(MADHUSUDAN SAWDIA) ACCOUNTANT MEMBER
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Hyderabad, dated 31st October, 2025

Vinodan/sps

Copy to:

S.No	Addresses
1	Ekashila Reddy Sankshema Sangam, H.No. 55-2-281, Bheemaram, Hanamkonda, Warangal 506009
2	Income Tax Officer, Office of the Income Tax Officer, Ward 1 Warangal Telangana
3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order