

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad 'A' Bench, Hyderabad

श्री रवीश सूद, माननीय न्यायिक सदस्य एवं श्री मधुसूदन सावडिया, माननीय लेखा सदस्य
SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER
AND
SHRI MADHUSUDAN SAWDIA HON'BLE ACCOUNTANT MEMBER

आयकरअपीलसं./I.T.A. No. 1206/Hyd/2025
(निर्धारणवर्ष/ Assessment Year: 2022-23)

Hitec Cyberspazio LLP, Hyderabad. PAN:AAOFH0033Q	VS.	Deputy Commissioner of Income Tax, Circle-6(1), Hyderabad.
(अपीलार्थी/ Appellant)		(प्रत्यर्थी/ Respondent)

करदाताकाप्रतिनिधित्व/ Assessee Represented by	:	Shri M.V. Prasad, CA
राजस्वकाप्रतिनिधित्व/ Department Represented by	:	Ms. U. Mini Chandran, CIT-DR
सुनवाईसमाप्तहोनेकीतिथि/ Date of Conclusion of Hearing	:	04/11/2025
घोषणा की तारीख/ Date of Pronouncement	:	19/11/2025

ORDER

PER RAVISH SOOD, JM:

The present appeal filed by the assessee firm, a "Limited Liability Partnership" (for short, "LLP") is directed against the order passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, dated 16/07/2025, which in turn arises from the assessment order passed by the AO under section 143(3) r.w.s 144B of

the Income-tax Act, 1961 (for short, "Act") dated 21/03/2024 for the Assessment Year 2022-23. The assessee firm has assailed the impugned order on the following grounds of appeal before us:

"1. The learned CIT (Appeals) is erred in facts and law while passing the order.

2. The Learned CIT(Appeals) is not justified in rejecting the plea of the appellant for condonation of delay in filing of appeal even though the appellant firm has valid and sufficient reasons for occurrence of such delay. The Learned CIT(Appeals) ought to have accorded a further opportunity of being heard before rejecting such plea in view of principles of natural Justice.

3. The Learned CIT(Appeals) ought to have adjudicated the appeal on the facts of the case.

4. On the facts and circumstances of the case and in law, the Ld. Assessing Officer is not justified in making the addition of Rs.40,44,59,669/- under section 69 of the Act towards unexplained investment in purchase of immovable property though they said Investment formed part of the financial statements and is duly reflected in the Balance sheet.

5. On the facts and circumstances of the case, the Ld. Assessing Officer is not Justified in law in making the addition of Rs.34,46,35,810/- (which is included in the addition of Rs.40,44,59,669/-) towards capital contribution made by the partners assuming that there are no sources for the said Investment by the partners in the appellant firm.

6. On the facts and circumstances of the case, the Ld. Assessing Officer is not justified in law in making the addition of Rs.5,98,23,859/- (which is included in the addition of Rs.40,44,59,669/-) towards repayment of bank loan and payment of Interest on the loan assuming that there are no sources for the said payments.

7. On the facts and circumstances of the case and in law, the Ld. Assessing Officer is not justified in making the addition of Rs.141,57,00,000/- under section 69 towards unexplained investment in purchase of immovable property without verifying the contents of the relevant sale deed bearing No.16519 dated 20.09.2021 which clearly reveals the fact that the buyer is another entity i.e HITEC CYBER CITY SPACES LLP and not the appellant firm.

8. Any other legal or factual ground that may be urged at the time of hearing of the appeal."

2. Succinctly stated, the assessee firm had filed its return of income for the AY 2022-23, declaring an income of Rs. 2,00,41,370/-. Subsequently, the case of the assessee firm was selected for scrutiny assessment for examination of, viz., (i) large investment in property; (ii) substantial increase in property; and (iii) High liabilities as compared to low income.

3. During the course of the assessment proceedings, the AO issued notices under section 143(2) of the Act, dated 01/06/2023, and under section 142(1) of the Act, dated 19/07/2023, 10/02/2024 and 26/02/2024, calling upon the assessee firm to substantiate based on supporting documentary evidence the investments made in purchase of immovable property during the subject year as under:

Sr No	Description of property	Date of registration	Amount of investment
1	Madhapur Main road survey,64 extension 16242 sq yard's	Document no 16520 dated 20.09.2021	Rs. 105,93,00,000/-
2	Madhapur Main road survey-64, plot No-8 extension 21876 sq yard's	Document no 16519 dated 20.09.2021	141,57,00,000/-

4. In reply, it was the claim of the assessee firm that it had purchased the property situated at Madhapur main road survey, 64 extension (16242 sq yds), vide Document No.16520, dated 20/09/2021 for a consideration of Rs.105,93,00,000/- which in turn was sourced from, viz., (i) loan from Standard Chartered Bank: Rs. 79,70,00,000/-; and (ii) investment from partners: Rs. 34,46,35,810/-. The AO called upon the assessee firm to furnish the details of the capital that was introduced by the partners. However, the assessee firm simply furnished a copy of the registration deed bearing No. 16520, dated 20/09/2021 along with a copy of the loan statement of Standard Chartered Bank. The AO observed that, as per the bank statement, the assessee firm had repaid an amount of Rs. 5,98,23,859/-, which in turn was comprised of interest and principal amount. The AO observed that as the assessee firm had failed to come forth with any explanation regarding the source of investment of Rs. 40,44,59,669/- (Rs. 34,46,35,810/- + Rs. 5,98,23,859/-) made in the purchase of the subject property, therefore, held the same as its unexplained investment made under section 69 of the Act.

5. Apropos the immovable property purchased by the assessee firm during the subject year, viz., Madhapur main road survey-64, plot No-8 extension 21876 sq yards vide registration deed bearing Document No.16519, dated 20/09/2021 for a consideration of Rs. 141,57,00,000/-,

the assessee firm despite specific directions by the AO failed to come forth with any explanation regarding the source of investment made in the said property. Accordingly, the AO, in the absence of any explanation forthcoming regarding the source of the investment made in the aforementioned property, held the same as the assessee's unexplained investment under section 69 of the Act.

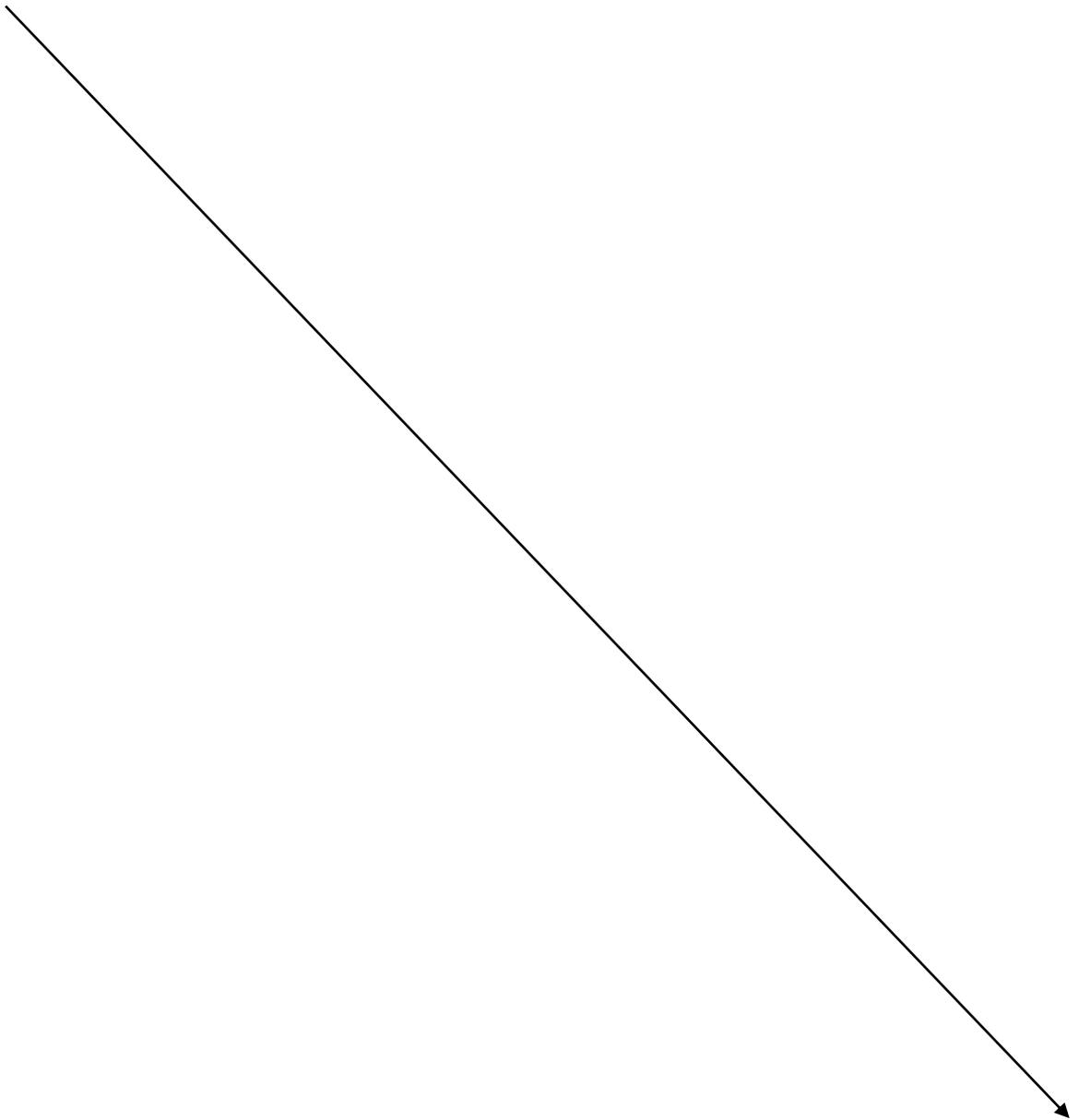
6. Accordingly, the AO vide his order passed under section 143(3) r.w.s 144B of the Act, dated 21/03/2024, determined the income of the assessee firm at Rs. 184,02,01,039/-.

7. Aggrieved, the assessee firm carried the matter in appeal before the CIT(A).

8. As the assessee firm had delayed the filing of the appeal by a period of 18 days, the CIT(A), not finding any merit in its explanation regarding the reason leading to the delay involved in the appeal filed before him, dismissed the same in *limine* on the said ground itself. For the sake of clarity, the observations of the CIT(A) are culled out, as under:

5. Decision:

5.1 At the first instance, it is noticed that against the Order dated 21.03.2024, served upon the appellant on the same date, the appeal has been filed on 08.05.2024 i.e. with a delay of 18 days for which the appellant has submitted grounds for condonation of delay which is reproduced hereunder:



PETITION FOR ADMITTANCE OF CONDONATION OF DELAY IN FILING OF
THE APPEAL BEFORE THE HON'BLE INCOME-TAX COMMISSIONER OF
INCOME TAX (APPEALS), NATIONAL FECELESS APPEAL CENTRE, DELHI

M/s. HITEC CYBERSPAZIO LLP,
902 ASTRAL HEIGHTS, Banjara Hills S.O
Khairatabad, HYDERABAD 500034,
Telangana, India.

Asst.Year 2022-23
PAN AAOFH0033Q

1. It is submitted that assessment for the Asst.Year 2022-23 has been finalised by the National e assessment unit, Delhi under Section 143(3) read with Section 144B of the Income Tax Act on 21-03-2024. Therefore, the appeal should have been instituted within 30 days from receipt of such order i.e., on or before 20-04-2024.
2. However the appeal was filed on 08-05-2024 i.e., with delay of 18 days (48 days - 30 days).
 - A. The reasons for such delay are that the firm has been constituted very recently and the Chief Accountant (Financial Manager) of Aparna Infra Housing Pvt Ltd., has been asked to look after the Income Tax related matters of the firm also since no regular accountant has been appointed by the firm. The common Chief Accountant of both company and firm Sri M.Someswara Rao suddenly went on leave from 01-03-2024 to 30-04-2024 due to his son's ill health (Brain Epilepsy combined with fits). Hence the office could not attend to income tax proceedings properly and could not furnish any reply to the notices issued.
 - B. The Chief Accountant after reporting to duty on 01-05-2024 only could notice receipt of such notices and order and immediately approached the auditors who have prepared the appeal papers.

C. Therefore, due to such above reason and also due to unawareness of the I.T.Provisions and procedures for filing of appeal by the partners of the firm, there occurred a delay of 18 days in filing the appeal.

3. As there was no malafide intention and delay was only due to unavoidable situation and medical emergencies of the Chief Accountant. Therefore, it is requested that as the delay is not intentional, the delay of 18 days occurred in filing of appeal may kindly be condoned and appeal may kindly be admitted for rendering substantial justice.

4. Further, it is also earnestly submitted that a detailed AFFIDAVIT along with all necessary evidences in proof of granting the leave etc., shall be submitted at the time of hearing of the appeal.

Prayer:

In view of the above submissions, it is earnestly requested with humbleness that the delay occurred in filing of the appeal is unintentional and not out of any negligence and it is only misfortune of the appellant in not preferring the appeal in time due to circumstances beyond the control of the appellant firm. Therefore, the delay occurred may be considered for condonation on merits in order to meet substantial justice.

Thanking you sir,

Hyderabad.

Date: 08-05-2024

Petitioner
(Chennuru Venkateswara Reddy)

(Authorized signatory)

HITEC CYBERSPAZIO LLP

5.1.1 It is found that in the petition for admittance of condonati

delay, at para 2 the appellant has mentioned that its Chief Accountant – Mr. M Someswara Rao - went on leave from 01.03.2024 to 30.04.2024, however, no documentary evidences were furnished by the appellant to substantiate such claim. The appellant's plain statement about "sudden leave of the Chief Accountant" does not give it any immunity to justify the fact that the whole and sole responsibility of filing of appeal vested with its Chief Accountant only. The appellant cannot rule out its own responsibility of filing the appeal within time bound manner. Hence, such undocumented statement cannot be a 'sufficient cause' in delay in filing appeal. Further, no evidence of the claim made wrt illness (brain epilepsy) of the son of Mr. M Someswara Rao, the Chief Accountant, has been brought on record.

5.1.2 The appellant claims that there is no other regular accountant apart from Mr. M Someswara Rao, either appointed by it or by Aparna Infra Housing Pvt Ltd., its partner for which also Mr. Rao is working as the Chief Accountant. This assertion of the appellant also does not seem justified in the absence of any documentary evidence as the appellant's scale of business itself seems large (without knowing comment on the scale of business of Aparna Infra Housing Pvt Ltd cannot be made) and it is not feasible that one accountant can handle all the affairs of both the concerns. And also if Mr. Rao was the only accountant, there was no need to designate him as the Chief Accountant.

5.1.3 Further, in para 4, the appellant admitted that details AFFIDAVIT alongwith all necessary evidences in proof of granting the leave etc. shall be submitted at the time of hearing of the appeal. However, till date no such details have been furnished by the appellant even in response to notice issued u/s 250 of the Act dated 12.06.2025.

5.1.4 In view of the above facts and circumstances, it is concluded that the appellant has failed to produce any documentary evidence to

substantiate that there was any 'sufficient cause' u/s 249(3) of the Act to justify the delay in filing of appeal. Hence, the conclusion that there was no bona fide reason with the appellant to justify delay in filing the present appeal is evident. Therefore, the delay in filing the appeal is not condoned.

5.2 Reliance is placed on the following judicial pronouncements which do not permit an appellant to file appeals beyond the time limit prescribed u/s 249(2) of the Act without any 'sufficient cause' u/s 249(3) of the Act:

1. Decision of the Hon'ble High Court, New Delhi in the case of **Akash Pack Tech (P) Limited vs M/s Today Tea Limited in RFA 303/2020 & CM Appl. 33795/2020 (stay) dated 27.09.2024**, (the application was filed seeking condonation of delay in filing of appeal), held as under:

"12. As mentioned above, the delay in filing the appeal in the present case is inordinate one of almost a year. Of course, length of delay may not be the decisive factor, in the sense that if satisfactorily explained, the delay of much longer period also can be condoned but if the explanation is not satisfactory, delay of even a few days cannot be condoned. Present is a case of absolutely no explanation, what to say of satisfactory explanation of delay in filing the appeal.

13. Considering the above circumstances, I do not find it a fit case to exercise discretion in favour of the appellant. As such the application for condonation of delay in filing the appeal is dismissed."

2. Decision of the Hon'ble ITAT Kolkata, Bench "A" in its recent judgment delivered on 12/06/2024, in the case of **Liberal Association For Movement of People v. Commissioner of Income-tax (Exemption)** [2024] 164 taxmann.com 83 (Kolkata - Trib.). In this case assessee had filed an appeal before the Tribunal after a delay of 291 days along with a condonation of delay application. Assessee contended vide an affidavit that

management of society was engrossed in carrying out activities of society, and thus, could not find time to file appeal on time. It was noted by the Hon'ble Tribunal that it was difficult to understand that an aggrieved assessee had casually allowed matter of filing appeal in time to transpire in such a manner that said substantial delay had occurred. The question was whether there was no sufficient and satisfactory explanation filed by assessee to prove that there was a reasonable cause for said delay in filing appeal. In these set of facts, the Hon'ble Tribunal ruled against the assessee as under:

4. In this case, it is evident that the appellant has conveniently decided not to justify the delay in filing by informing this Bench on the detailed reasons, even on day-to-day basis, for which the appeal could not be filed in time.

4.1. At this juncture, it is necessary to delve into the genesis of limitation and how a judicial forum needs to deal with matters pertaining to condonation of delay.

4.2. Almost all the tax laws, whether they relate to direct taxes or Indirect taxes, contain provisions for condonation of delay in filing appeals, if the appellant (whether it is the taxpayer or the revenue) proves to the satisfaction of the appellate authority that he had sufficient cause for not filing the appeal within time. The genesis for such provisions can be traced to section 5 of the Limitation Act, 1963, which reads as follows:

"Extension of prescribed period in certain cases. — Any appeal or any application, other than an application under any of the provisions of Order XXI of the Code of Civil Procedure, 1908 (5 of 1908), may be admitted after the prescribed period if the appellant or the applicant satisfies the Court that he has sufficient cause for not preferring the appeal or making the application within such period.

Explanation: The fact that the appellant or the applicant was

misled by any order, practice or judgment of the High Court in ascertaining or computing the prescribed period may be sufficient cause within the meaning of this section."

4.3. *The two essential ingredients for condoning delays are: (i) the existence of 'sufficient cause', and (ii) the satisfaction of the competent authority that such sufficient cause was proved as existing. Thus, the first issue about the existence of sufficient cause covers the factual matrix in respect of which the onus to prove is squarely on the litigant, while the second issue about 'satisfaction' covers the discretionary area in which the competent authority, this Bench, is expected to act. It is by now well settled that the expression 'sufficient cause' has to be understood to mean a cause beyond the control of the appellant or one which the appellant, even with the exercise of due care and attention, could not avoid. The expression is required to be interpreted liberally so as to advance substantial justice when no negligence nor inaction nor want of bona fides is imputable to the appellant. Further, it is a general principle of law that whenever a Court is vested with a discretionary power, such a discretion must be exercised not in an arbitrary, vague or fanciful manner but on judicial principles. The fundamental principle, which has been universally recognised as the true rule of guidance for the exercise of discretion to condone delays is to see whether the party claiming indulgence has been reasonably diligent in prosecuting his appeal. In the case of **State of Gujarat v. Sayed Mohd. Baquir E1 Edross** AIR 1981 SC 1921, the **Supreme Court** laid down the following principles that should govern the exercise of powers of condonation under section 5:*

The party seeking relief has to satisfy the Court that he had sufficient cause for not preferring the appeal, etc., within the prescribed time.

The explanation has to cover the entire period of delay.

A litigant should not be permitted to take away a right which has accrued to his adversary by lapse of time.

The proof of sufficient cause is a condition precedent for the exercise of the discretionary jurisdiction vested in the Court under section 5. After sufficient cause is shown, the Court is to inquire whether in its discretion it should condone the delay.

The discretion conferred on the Court is a judicial discretion and must be exercised to advance substantial justice.

No liberal view should be taken merely because the defaulting party is a Government.

Even if there was a strong case for acceptance of the appeal on merits that could not be a ground for condonation of delay.

When there is remiss on the part of the advocate, the question that comes up for consideration is whether the mistake was bona fide or was merely a device to cover the ulterior purpose such as laches on the part of the litigant or an attempt to save limitation in an underhand way.

4.4. *It was also held in an earlier decision in the case of **Ramlal Motilal v. Rewa Coalfields** AIR 1962 SC 361, that 'every day's delay must be explained'. Another important requirement is that the 'cause' for the delay must have arisen before the expiry of the limitation period, and, as held by the **Supreme Court** in the case of **Ajit Singh Thakur Singh v. State of Gujarat** AIR 1981 SC 733, "no event or circumstance arising after the expiry of limitation period can constitute sufficient cause".*

3. Decision of the Hon'ble ITAT Kolkata, Bench "B" in its recent judgement delivered on 02/04/2024 in the case of

Manmohak Infrastructure (P.) Ltd. v. Income-tax Officer [2024]
161 taxmann.com 457 (Kolkata - Trib.) wherein the head-note reads as under:

On appeal to Tribunal it was found that appeal was time barred by 24 days - Further, on perusal of application filed for condonation of delay, it was viewed that neither an affidavit of Director was filed, nor exact details were submitted as to how this delay had happened - To explain delay, assessee had annexed a letter along with appeal stating that appeal papers were submitted to one 'D' its tax practitioner and she was busy in other tax matters and, therefore, could not file appeal - However, assessee had not filed any confirmation from 'D' showing that appeal papers were submitted to her within time and she was busy in other tax matters and, therefore, could not file appeal - It was just an effort to persuade one to believe in this make belief story, otherwise there was no substance - Whether therefore, appeal was to be dismissed being time barred - Held, yes [Para 8] [In favour of revenue]

4. In the case of **Vijay Prakash D. Mehta v. Collector Of Customs [1989] 175 ITR 540 (SC)**, the Apex Court has held that if the statute gives a right to appeal upon certain conditions, it is upon fulfillment of those conditions that the right becomes vested in, and exercisable by, the appellant.

5. The Hon'ble Bombay High Court in **Somerset Place Co-operative Housing Society Limited vs. Income Tax Officer 16(2)(1)** reported in 57 taxmann.com 7, examined the issue whether the applicant had shown 'sufficient cause' to become entitled for condonation of delay of five years. After considering the facts and the opposing arguments, the Hon'ble Bombay High Court held as under (emphasis supplied):

"...Section 5 of the Limitation Act cannot be stretched to bring about a situation of unsettling judicial decisions which stood accepted by the parties. If the contention of the applicant is accepted, it would create a situation of chaos and unsettling various orders passed from time to time by the Tribunal as accepted by the parties. The legislative mandate in stipulating a limitation to file an appeal within the prescribed limitation cannot be permitted to be defeated when a litigant has taken a decision not to pursue further proceedings. A new ruling is no ground for reviewing a previous judgment. If this is permitted, the inevitable consequence is confusion, chaos, uncertainty and inconvenience as then no orders can ever attain finality though accepted by parties.....A reliance on behalf of the applicant on the decision of the Supreme Court in the case of "Collector, Land Acquisition vs. MST.Katiji&Ors." (supra) and the decision in the case of "N.Balakrishnan Vs. M.Krishnamurthy" (supra) is also inappropriate in the facts of the present case. These decisions lay down the principles of law the Courts would follow to consider what would be a sufficient cause under Section 5 of the Limitation Act, permitting condonation of delay. There can be no dispute on the proposition as laid down in these decisions. This decision would not assist the applicant in view of the voluntary decision of the applicant not to assail the order of the Tribunal at the relevant time and accepting the decision of the Tribunal for the Assessment Year 2003-04. We are of the considered opinion that only because the applicant has succeeded on the same issue for the Assessment Year 2008-09, the same cannot be said to be a sufficient cause so as to condone the delay of five

years for the applicant to approach this Court in filing the appeal.

6. The Id. Appellate Tribunal, Cochin, in **Catholic Syrian Bank Ltd vs The DCIT (TDS), CPC, Ghaziabad** in ITA Nos. 341-345/Coch/2018 dated 08.10.2018 reported in (2018) 173 ITD 384, is worth mentioning (emphasis supplied):

"It was submitted that the delay is to be condoned since the issue on merit covered in favour of the assessee. This submission ignores the fact that the object of the law of limitation is to bring certainty and finality to litigation. This is based on the Maxim "interest reipublicae sit finislitium i.e. for the general benefit of the community at large, because the object is every legal remedy must be alive for a legislatively fixed period of time. The object is to get on with life, if you have failed to file an appeal within the period provided by the Statute. It is for the general benefit of the entire community so as to ensure that stale and old matters are not agitated and the party who is aggrieved by an order can expeditiously mover higher forum to challenge the same, if he is aggrieved by it. As observed by the Apex Court in many cases, the law assist those who are vigilant and not those who sleep over their rights as found in the Maxim "Vililantibus Non Dormientibus Jura Subveniunt".

7. A similar view has been taken on an identical scenario by the Id. Appellate Tribunal, Mumbai, in **Lakshya Global Logistics Pvt. Ltd vs DCIT, CPC TDS, Ghaziabad** (I.T.A. No. 6979-6984/Mum/2017 dated 23.01.2019).

8. The Hon'ble Supreme Court in **Basawarajvs The Spl Land Acquisition Officer** (Civil Appeal No. 6974 of 2013, dated 22.08.2013) held and observed as under(emphasis supplied):

"13. The Statute of Limitation is founded on public policy, its aim being to secure peace in the community, to suppress fraud and perjury, to quicken diligence and to prevent oppression. It seeks to bury all acts of the past which have not been agitated unexplainably and have from lapse of time become stale.....An unlimited limitation would lead to a sense of insecurity and uncertainty, and therefore, limitation prevents disturbance or deprivation of what may have been acquired in equity and justice by long enjoyment or what may have been lost by a party's own inaction, negligence or laches."

9. The Hon'ble Supreme Court in **Ajit Singh Thakur Singh AndAnr. vs State Of Gujarat** reported in AIR 1981 SC 733, held as under (emphasis supplied):

"At the outset, it is urged by learned counsel for the appellants that the High Court erred in condoning the delay in filing the appeal, and the appeal should have been dismissed as barred by limitation. We have examined the facts carefully. It appears that initially the State Government took a decision not to file an appeal and it allowed the period of limitation to lapse. Subsequently, on certain observations made by the High Court while considering a revision petition by Bhulabhai that it was a fit case where the State Government should file an appeal and on notice being issued by the High Court to the State Government in the matter, the appeal was filed. It was filed three months after limitation had expired. A faint attempt was made to show that when the initial decision was taken not to file an appeal all the papers had not been considered by the department concerned, but we are not impressed by that allegation. The truth appears to

be that the appeal was not filed at first because the State Government saw no case on the merits for an appeal, and it was filed only because the High Court had observed - and that was long after limitation had expired - that the case was fit for appeal by the State Government."

10 / In **Balwant Singh (dead) v. Jagdish Singh and others** (2010) 8 SCC 685, the Hon'ble Supreme Court held and observed as under (emphasis supplied):

"25. We may state that even if the term "sufficient cause" has to receive liberal construction, it must squarely fall within the concept of reasonable time and proper conduct of the party concerned. The purpose of introducing liberal construction normally is to introduce the concept of "reasonableness" as it is understood in its general connotation.

26. The law of limitation is a substantive law and has definite consequences on the right and obligation of a party to arise. These principles should be adhered to and applied appropriately depending on the facts and circumstances of a given case. Once a valuable right has accrued in favour of one party as a result of the failure of the other party to explain the delay by showing sufficient cause and its own conduct, it will be unreasonable to take away that right on the mere asking of the applicant, particularly when the delay is directly a result of negligence, default or inaction of that party. Justice must be done to both parties equally. Then alone the ends of justice can be achieved. If a party has been thoroughly negligent in implementing its rights and remedies, it will be equally unfair to deprive the other party of a valuable right that has accrued to it in law as a result of his acting

vigilantly.”

11. A reference can be made to the order of the Hon'ble Bombay High Court in the case of **Ornate Traders Pvt. Ltd. vs ITO, Ward 3(2)(3) (2009) 312 ITR 193**, wherein it was observed as under (para 11 & 12, emphasis supplied):

“11. Another aspect of the case is that the revenue and/or even the assessee are expected to act with care and expeditiousness and not to let things lie unprocessed for months together.....The law of limitation is normally to be construed strictly as it has the effect of vesting for one and taking away right from the other. To condone the delays in a mechanical or a routine manner may amount to jeopardizing the legislative intent behind section 5 of the Limitation Act. It interposes a statutory bar after a certain period giving quietus to the rights arising from a judgment which is sought to be impugned. Where the parties chose to sleep over their rights for prolonged periods without any just cause, can hardly claim equity in justice particularly faced with the statutory provisions of section 5 of the Act.”

12. The Third Member case decided by the Id. Appellate Tribunal, Chennai, in **Jt. CIT, Special Range-1, Chennai vs Tractors & Farm Equipments Ltd [2007]** reported in 104 ITD 149 is apposite. The facts were that the delay was sought to be justified with reference to the affidavit of the director stating that appellate order was misplaced/forgotten and found while sorting out the unwanted papers, following which, steps were taken for the preparation of the appeal. It was held that this clearly showed that the delay was due to the negligence and inaction which could have been avoided by the exercise of due care and attention. A similar view was taken by the Id. Appellate Tribunal, Mumbai, in **Shri Kunal Suranavs ITO, Ward-14(1)(3), Mumbai dated 19.04.2013**

reported in (2013) 144 ITD 195.

13. The Hon'ble Delhi High Court in Moddus Media Pvt. Ltd. vs M/s Scone Exhibition Pvt. Ltd. (RFA 497/201 dated 18 May, 2017), held as under:

"11. The litigant owes a duty to be vigilant of his rights and is also expected to be equally vigilant about the judicial proceedings pending in the court of law against him or initiated at his instance. The litigant cannot be permitted to cast the entire blame on the Advocate. It appears that the blame is being attributed on the Advocate with a view to get the delay condoned and avoid the decree. After filing the civil suit or written statement, the litigant cannot go off to sleep and wake up from a deep slumber after passing a long time as if the court is storage of the suits filed by such negligent litigants. Putting the entire blame upon the advocate and trying to make it out as if they were totally unaware of the nature or significance of the proceedings is a theory put forth by the appellant/applicant/defendant company, which cannot be accepted and ought not to have been accepted. The appellant is not a simple or rustic illiterate person but a Private Limited Company managed by educated businessmen, who know very well where their interest lies. The litigant is to be vigilant and pursue his case diligently on all the hearings"

5.3 Procedural rules are essential in the orderly, efficient and speedy administration of justice and cannot be characterized as mere technicalities that may be ignored at will to suit the convenience of a party. The determination of the timeliness of the petition is important. It ought to be within the period prescribed by law as a jurisdictional requirement. Therefore, the delay in filing appeal by the appellant is not condoned and **appeal is dismissed** on this count **in limine**.

9. The assessee firm aggrieved with the order of the CIT(A), has carried the matter in appeal before us.

10. We have heard the Learned Authorized Representatives of both parties, perused the orders of the lower authorities, and the material available on record.

11. Sri M.V. Prasad, Chartered Accountant, the Learned Authorized Representative (for short, "Ld. AR") for the assessee firm, at the threshold of hearing of the appeal submitted, that the CIT(A) had grossly erred in law and facts of the case by declining to condone the delay of 18 days that was involved in the appeal filed before him. Elaborating on his contention, the Ld. AR submitted that the delay in filing the appeal before the CIT(A) had crept in because Sri M. Someswara Rao, Chief Accountant (Financial Manager) of M/s. Aparna Infra Housing Pvt Ltd., who was also looking after the income tax matters of the assessee firm, had suddenly proceeded on leave from 01/03/2024 to 30/04/2024 due to his son's ill health (Brain Epilepsy combined with fits). The Ld. AR submitted that Sri M. Someswara Rao (supra) had thereafter reported back to duty on 01/05/2024 and had thereafter got the appeal prepared and filed the same with the CIT(A), which by that time involved an inadvertent delay of 18 days. The Ld. AR submitted that the assessee firm, vide its application, dated 08/05/2024, had requested the CIT(A) for condonation of the delay of 18 days involved in the appeal before him, that had crept in due to bona fide reasons which were beyond the control of the assessee firm. Elaborating further on his contention, the

Ld. AR submitted that the CIT(A) had summarily rejected the explanation of the assessee firm regarding the delay of 18 days in filing the appeal of the assessee firm. Apart from that, the CIT(A) had observed that the assessee firm had failed to place on record any documentary evidence to support its claim regarding the illness/brain epilepsy of the son of Sri M. Someswara Rao, the Chief Accountant. Also, the CIT(A) had observed that, considering the large scale of the business of the assessee firm, it was unbelievable that an accountant of M/s. Aparna Infra Housing Pvt Ltd. (supra) was handling the affairs of the assessee firm. The Ld. AR submitted that the CIT(A) had further observed that though, the assessee firm at Para-4 of its condonation petition stated that an “affidavit” along documentary evidence in proof of granting the leave to the Chief Accountant, etc., would be submitted at the time of hearing of the appeal, but no such details were placed on his record even in response to the notice issued under section 250 of the Act, dated 12/06/2025. The Ld. AR submitted that the CIT(A) had thereafter declined to exercise the discretion vested with him under section 249(3) of the Act to condone the delay involved in the present appeal filed before him, and by drawing support from a host of judicial pronouncements had dismissed the appeal in *limine* on the said count itself.

12. Carrying his contention further, the Ld. AR submitted that the assessee firm had come into existence very recently, and the delay in filing of the present appeal had occasioned due to compelling circumstances, i.e., Sri M. Someswara Rao, Chief Accountant, had proceeded on leave from 01/03/2024 to 30/04/2024 due to the medical exigency which required him to attend to the serious ill health of his son, therefore, the CIT(A), in all fairness ought to have adopted a liberal approach and condoned the delay instead of summarily dismissing the same in *limine*. The Ld. AR in support of his contention had relied upon the judgment of the **Hon'ble Supreme Court** in the case of **Vidya Shankar Jaiswal vs. The Income Tax Officer, Ward-2, Ambikapur in Special Leave Petition (Civil) Nos. 26310-26311/2024, dated 31st January, 2025.**

13. Per contra, Ms. U. Mini Chandra, Commissioner of Income Tax – Departmental Representative (for short, “Ld. CIT-DR”), relied upon the orders of the lower authorities.

14. We have heard the Learned Authorized Representatives of both parties in the backdrop of the orders of the lower authorities and the judicial pronouncements that have been pressed into service by the Ld. AR to drive home his contention.

15. Admittedly, it is a matter of fact discernible from the record that the assessee firm had delayed the filing of its appeal for a period of 18 days. As observed herein above, it has been the claim of the assessee firm that the delay in filing of the appeal had crept in because its Chief Accountant, viz., Sri M. Someswara Rao (supra) who was looking after the tax matters of the assessee firm had proceeded on leave to attend to the serious ill health of his son, who was suffering with serious neurological disorder, i.e., brain epilepsy combined with fits. Thereafter, Sri M. Someswara Rao (supra), after reporting back to his duty on 01/05/2024, had, after taking cognizance of the notices received from the income tax department, immediately prepared the appeal and, involving no further loss of time, had filed the same before the CIT(A).

16. We find that the assessee firm to support its aforesaid claim had placed on record a copy of the leave application of Shri M. Someswara Rao (supra), dated 09/02/2024, Page No.1 of APB, the medical reports/discharge summaries evidencing the fact of ill health of Mr. Mohith, S/o Shri M. Someswara Rao, Page No.2 to 20 of APB, and documents supporting the leave granted to Sri M. Someswara Rao from 01/03/2024 to 30/04/2024, Page No.21 of APB. Also, the assessee firm had placed on record an "affidavit" of Sri Killamsethy Joga Rao S/o. Late Sri K. Sri Ramulu, authorized signatory of the assessee firm, wherein he had deposed the facts leading to the delay in filing of the present appeal,

i.e., Sri M. Someswara Rao had proceeded on leave from 01/03/2024 to 30/04/2024 due to his son's ill health.

17. We have thoughtfully considered the reasons leading to the delay in filing of the present appeal, and are of a firm conviction that the same had occasioned because of bona fide reasons which were beyond the control of the assessee firm and not on account of any lackadaisical approach on the latter's part, therefore, the CIT(A) in all fairness and in the interest of justice ought to have condoned the same. We say so, specifically for the reason that as the delay in filing of the present appeal had crept in because it's accountant, viz., Sri M. Someswara Rao (supra) who was looking after the income tax matters of the assessee firm had to suddenly proceed on leave from 01/03/2024 to 30/04/2024 due to his son's ill health, therefore, there are justifiable reasons explaining the delay in filing of the appeal before the CIT(A). In our view, the CIT(A) ought to have adopted a justice oriented and liberal approach instead of dismissing the appeal of the assessee firm in limine on the ground that the same involved a delay of 18 days, which we may herein observe cannot be brought within the meaning of an inordinate delay. Our aforesaid view is supported by the recent decision of the **Hon'ble Supreme Court** in the case of **Vidya Shankar Jaiswal vs. The Income Tax Officer, Ward-2, Ambikapur in Special Leave Petition (Civil) Nos. 26310-26311/2024, dated 31st January, 2025**. The Hon'ble Apex

Court while setting aside the order of the Hon'ble High Court of Chhattisgarh, which had approved the declining of the condonation of delay of 166 days by the Income-Tax Appellate Tribunal, Raipur Bench, had observed, that a justice-oriented and liberal approach should be adopted while considering the application filed by an appellant seeking condonation of the delay involved in filing the appeal.

18. We, thus, in terms of our aforesaid observations, set aside the matter to the file of the CIT(A) with a direction to condone the delay of 18 days involved in the appeal before him and dispose of the appeal considering the grounds based on which the assessment order has been assailed before him. Needless to say, the CIT(A) shall in the course of the set aside proceedings afford a reasonable opportunity of being heard to the assessee firm.

19. Resultantly, the appeal of the assessee firm is allowed for statistical purposes.

Order pronounced in the open court on 19th November, 2025.

Sd/- (मधुसूदन सावडिया) (MADHUSUDAN SAWDIA) लेखासदस्य/ACCOUNTANT MEMBER	Sd/- (रवीश सूद) (RAVISH SOOD) न्यायिकसदस्य/JUDICIAL MEMBER
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Hyderabad, dated 19.11.2025.
OKK/sps

आदेशकीप्रतिलिपिअग्रेषित/ Copy of the order forwarded to:-

1.	निर्धारिती/The Assessee	:	Hitec Cyberspazio LLP, 802, Astral Heights, Banjara Hills, Khairatabad, Hyderabad.
2.	राजस्व/ The Revenue	:	Deputy Commissioner of Income Tax, Circle-6(1), IT Towers, AC Guards, Masab Tank, Hyderabad.
3.	The Principal Commissioner of Income Tax, Hyderabad.		
4.	विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण /DR,ITAT, Hyderabad.		
5.	The Commissioner of Income Tax		
6.	गार्डफाईल / Guard file		

आदेशानुसार / BY ORDER

Sr. Private Secretary
ITAT, Hyderabad.