

**IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH**

**BEFORE SHRI INTURI RAMA RAO, AM
AND SHRI MANU KUMAR GIRI, JM**

**ITA No. 819/Coch/2025
Assessment Year: 2016-17**

The State Farming Corporation of Kerala Ltd. Appellant
P.B. No. 13, Vettithitta P.O., Punalur 689696
[PAN: AA ACT8150f]

vs.

Asst. Commissioner of Income Tax, Kollam Respondent

Assessee by: Shri Iype John, CA
Revenue by: Shri Sanjit Kumar Das, CIT-DR

Date of Hearing: 07.11.2025
Date of Pronouncement: 21.11.2025

ORDER

Per: Inturi Rama Rao, AM

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre, Delhi (NFAC) dated 03.06.2024 for Assessment Year (AY) 2016-17.

2. Brief facts of the case are that the appellant is a Government of Kerala undertaking engaged in production of Latex and manufacturing CENEX out of it. Apart from Latex production from Rubber plantations, the company is engaged in production of cashes, coconut, pepper, Plantain, etc. The return of income for AY 2015-16 was filed on 01.01.2018 declaring loss of Rs. 1,02,61,730/-. Against

the said return of income, the assessment was completed by the Asst. Commissioner of Income Tax, Kollam (hereinafter called "the AO") vide order dated 31.12.2018 passed u/s. 143(3) of the Income Tax Act, 1961 (the Act) at total income of Rs. 2,96,34,020/-. While doing so, the AO made addition on account of interest u/s. 244A of the Act accrued amounting to Rs. 19,37,142/-, disallowance of DA arrears of Rs. 5,48,326/-, disallowance of rubber replantation expenditure of Rs. 3,09,49,898/-, etc.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order directed the AO to delete the addition on account of interest. However, confirmed the disallowance of 35% of DA arrears and disallowance of replantation expenditure of Rs. 3,09,49,898/-. Thus, the appeal filed by the assessee was partly allowed by the CIT(A).

4. Being aggrieved, the appellant is in appeal before this Tribunal in the present appeal.

5. At the outset, we find that there is a delay of 455 days in filing the appeal before this Tribunal. The appellant had filed an affidavit seeking condonation of delay, which is extracted as below: -

"I, Sajeev J, aged 62 years, son of R.Janardanan Pillai, residing at Alelil, Charummoodu P.O., Mavelikkara, Alappuzha-PIN-690505, the Managing Director of The State Farming Corporation of Kerala Ltd., do hereby solemnly affirm and state as follows:

1. That I am the Petitioner in the above-mentioned case and am fully conversant with the facts and circumstances of the case.

2. That there has been a delay of 455 days in filing the Appeal due to the following reasons

The Corporation, the appellant herein, is a Govt. of Kerala undertaken. On receipt of the order and after internal discussions it was submitted for guidance to the legal advisors. There was a delay in obtaining an opinion on second appeal. Further an important judgment of the Full Bench of Kerala High Court in connection with Replantation Expenses as per Rule 7A came to our knowledge very recently which is beneficial to the company and which could go in favour to delete a substantial addition made in the order and sustained by the Commissioner of Income Tax (Appeals).

That the delay was neither intentional nor deliberate but occurred due to the reasons mentioned above, which if not condoned would deny substantial justice to your petitioner

That I have taken immediate steps to file the Appeal as soon as the circumstances permitted especially on knowledge of the facts submitted above.

5. That I humbly request this Honourable Tribunal to condone the delay in the interest of justice and allow the Application.

6. That I undertake to comply with any conditions imposed by this Honourable Tribunal for condoning the delay.

7. That the contents of this affidavit are true and correct to the best of my knowledge and belief, and nothing material has been concealed therein.”

6. From the above affidavit it would be evident that the appellant company sought to explain the delay on account of delay in obtaining legal opinion. The appellant wanted to rely on the Full Bench decision of the Hon'ble Jurisdictional High Court as per Rule 7A of the I.T. Rules. It is unbelievable that the appellant took 455

days to obtain legal opinion. We are of the considered opinion that the appeal had been filed only to take benefit of subsequent decision of the Hon'ble Jurisdictional High Court, which does not constitute reasonable cause for the delay. It only shows that the appellant is not diligent to pursue the appeal. Thus, the appellant had failed to show existence of sufficient reasons for delay in filing the appeal before the Tribunal. Therefore, we are of the considered opinion that it is not a fit case to condone the delay of 455 days. Accordingly, the appeal is dismissed in limine on the grounds of delay and laches.

7. In the result, the appeal filed by the assessee stands dismissed.

Order pronounced in the open court on 21st November, 2025.

Sd/-
(MANU KUMAR GIRI)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 21st November, 2025

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar
ITAT, Cochin