

आयकर अपीलीय अधिकरण, कटक न्यायपीठ, कटक
IN THE INCOME TAX APPELLATE TRIBUNAL CUTTACK BENCH CUTTACK
(THROUGH VIRTUAL HEARING)

श्री जार्ज माथन, न्यायिक सदस्य एवं श्री राजेश कुमार, लेखा सदस्य के समक्ष ।

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER
AND
SHRI RAJESH KUMAR, ACCOUNTANT MEMBER**

ITA No.496/CTK/2025: Assessment Year: 2014-15
ITA No.497/CTK/2025: Assessment Year: 2014-15
ITA No.498/CTK/2025: Assessment Year: 2015-16
ITA No.499/CTK/2025: Assessment Year: 2015-16
ITA No.500/CTK/2025: Assessment Year: 2016-17
ITA No.502/CTK/2025: Assessment Year: 2020-21
ITA No.503/CTK/2025: Assessment Year: 2020-21
ITA No.504/CTK/2025: Assessment Year: 2022-23

Orissa State Co-operative Handicrafts Corporation Limited., Industrial Estate, Rasulgarh, Bhubaneswar	Vs	DCIT, Circle-1(1)/DCIT, Circle-4(1), Bhubaneswar.
PAN No. : AAAAO 0096 K		
(अपीलार्थी / Appellant)	..	(प्रत्यर्थी / Respondent)

निर्धारिती की ओर से / Assessee by	:	Shri P.R.Mohanty, Adv
राजस्व की ओर से / Revenue by	:	Shri Asim Chakraborty, Id CIT DR
सुनवाई की तारीख / Date of Hearing	:	1 /12/2025
घोषणा की तारीख/ Date of Pronouncement	:	1 /12/2025

आदेश / ORDER

Per Bench :

ITA No.496/CTK/2025 and ITA No.498/CTK/2025 are the appeals filed by the assessee against the separate orders dated 5.8.2025 passed by the Id CIT(A), NFAC, Delhi in Appeal No.NFAC/2013-14/10315114 and Appeal No.NFAC/2014-15/10314179 for the assessment years 2014-15 and 2015-16, in the matter of assessment year 143(3) of the Act.

2. ITA No.497/CTK/2025 and ITA No.499/CTK/2025 are the appeals filed by the assessee against the separate orders dated 5.8.2025 passed by the Id CIT(A), NFAC, Delhi in Appeal No.NFAC/2013-14/10315360 and Appeal No.NFAC/2014-15/10314180 for the assessment years 2014-15 and 2015-16, in the matter of penalty u/s.271(1)(c) of the Act.
3. ITA No.500/CTK/2025 is an appeal filed by the assessee against the order dated 20.8.2025 passed by Id CIT(A), NFAC, Delhi in Appeal No.NFAC/2015-16/10291984 for the assessment year 2016-17 in the matter of assessment u/s.144 r.w.s 263 of the Act.
4. ITA No.501/CTK/2025 is an appeal filed by the assessee against the order dated 21.8.2025 passed by Id CIT(A), NFAC, Delhi in Appeal No.CIT(A), Bhubaneswar-2/10253/2019-20 for the assessment year 2017-18 in the matter of assessment u/s.143(3) of the Act.
5. ITA No.502/CTK/2025 and ITA No.503/CTK/2025 are the appeals filed by the assessee against the order dated 8.8.2025 passed by Id CIT(A), NFAC, Delhi in Appeal No.NFAC/2019-20/10206044 for the assessment year 2020-2021 in the matter of assessment year 143(3) of the Act and order dated 20.8.2025 passed by Id CIT(A), NFAC, Delhi in Appeal no.NFAC/2019-20/10293885 for the assessment year 2020-21 in the matter of penalty u/s.272A(1)(d) of the Act.
6. ITA No.504/CTK/2025 is an appeal filed by the assessee against the order dated 20.8.2025 passed by Id CIT(A), NFAC, Delhi in Appeal No.CIT(A),NFAC/2021-22/10384315 for the assessment year 2022-23 in the matter of assessment u/s.144 of the Act.
7. Shri P.R.Mohanty, Id AR appeared for the assessee and Shri Asim Chakraborty, Id CIT DR appeared for the revenue.

8. Since common issue arises for consideration in these appeals, we heard all the appeals together and disposing of the same by this common order.

9. Ld AR submitted that the assessee is a co-operative society engaged in promotion of handicrafts and handloom of Odisha working under the administrative control of Handlooms, Textiles and handicrafts Department of Govt. of Odisha to provide marketing support to primary handicrafts co-operative societies since 1959. Ld AR submitted that the Id CIT(A) has not condoned the delay in filing of appeals before him and dismissed the appeals in limine. He submitted that the assessee has filed applications for condonation of delay before the Id.CIT(A) in all the appeals. Such delay has not been condoned by the Id.CIT(A), and all the appeals were dismissed being time barred. Ld AR submitted that the assessee being a government of orissa undertaking, due to staff shortage, there were delays in filing the appeal. He submitted that the delay in filing of appeals before Id CIT(A) was beyond the control of the assessee and such delay should be condoned and the appeals may be restored to the file of the Id AO for fresh consideration.

10. In reply, Id CIT DR submitted that the Id CIT(A) has considered various judicial pronouncements on the issue of delay condonation in the respective appeals and has dismissed the appeals in limine. Ld CIT DR also submitted that the assessee has not shown sufficient cause in support of the delay in filing the appeals, therefore, no interference in the orders of the Id CIT(A) is required.

11. We have considered the rival submissions. It is observed that the common issue involved in all the appeals is, whether the delay in filing the appeals before the Id.CIT(A) deserves to be condoned and whether they are required to be remitted back for adjudication on merit. We observe that there

were delays in the respective assessment years in filing the appeals before the Id CIT(A) as follows:

<u>Assessment year</u>	<u>Delay</u>	<u>quantum/penalty (u/s)</u>
2014-15	712	u/s./143(3)
2014-15	692	271(1)(c)
2015-16	705	143(3)
2015-16	685	271(1)(C)
2016-17	515	263
2020-21	109	143(3)
2020-21	209	272A(1)(d)
2022-23	64	144

12. In the condonation petitions filed before the Id CIT(A) it is commonly stated that due to online service of notice, consequential orders and non-verification of income tax portal on regular basis coupled with negligence or inaction of the authorized representatives of the assessee in the covid-19 pandemic, the appeals could not be filed in due time, for which, there were delay in filing the appeals before the Id CIT(A). At the time of hearing, Id AR submitted that due to staff shortage, the verification of income tax portal was made. It was also submitted that the delay is attributable to online compliance of faceless regime.

13. With the assistance of Id AR and Id Sr DR, we have gone through the reasons stated in the condonation petitions filed before the Id CIT(A). Section 249(3) of the Income Tax Act, provides powers to the Id Commissioner of Income Appeals to condone the delay in filing the appeal before him. It has been used in Section 5 of Indian Limitation Act, 1963 that whenever interpretation and construction before the Hon'ble High Court as well as before the Hon'ble Supreme Court, then the Hon'ble Courts were unanimous in their

conclusion that the expression is to be used liberally. Reference is made to the decision of Hon'ble Supreme Court in the case of Collector Land Acquisition vs Mst. Katiji & Othrs, (1987) 167 ITR 41 (SC), wherein, it has been held as under:

“1. Ordinarily a litigant does not stand to benefit by lodging an appeal late.

2. Refusing to condone delay can result in a meritorious matter being thrown out at the very threshold and cause of justice being defeated. As against this when delay is condoned the highest that can happen is that a cause would be decided on merits after hearing the parties.

3. "Every day's delay must be explained" does not mean that a pedantic approach should be made. Why not every hour's delay, every second's delay? The doctrine must be applied in a rational common sense pragmatic manner.

4. When substantial justice and technical considerations are pitted against each other, cause of substantial justice deserves to be preferred for the other side cannot claim to have vested right in injustice being done because of a nondeliberate delay.

5. There is no presumption that delay is occasioned deliberately, or on account of culpable negligence, or on account of mala fides. A litigant does not stand to benefit by resorting to delay. In fact he runs a serious risk.

6. It must be grasped that judiciary is respected not on account of its power to legalize injustice on technical grounds but because it is capable of removing injustice and is expected to do so.”

14. It is sufficed to say that the Hon'ble Courts are unanimous in their approach to propound that whenever the reasons assigned by an applicant for explaining the delay, then such reasons are to be construed with a justice-oriented approach. A litigant does not stand to benefit by resorting to delay. In fact, the assessee runs a serious risk. In the instant case, the delay was attributable specifically due to faceless regime as the notices were sent through

online only. Due to some reasons or other, the notice of hearing was not in the knowledge of the assessee, as stated in the condonation petition.

15. In the light of above discussion, we are of the considered view that the assessee in its averments has made out a clear case that there was sufficient cause being its control prevented from filing the appeals before the Id CIT(A) in time. The assessee is diligent in its responsibility as the appeals have been filed before the Tribunal against the orders of the Id CIT(A). We, accordingly, condone the delay in filing the appeals before the Id CIT(A) in all these assessment years under consideration and set aside the issues to the file of the Id CIT(A) as he has not applied his mind on facts on the merit of the issues. Therefore, we remit the issues to the file of the Id.CIT(A) for fresh adjudication on merit after providing reasonable opportunity of hearing to the assessee. The assessee will be liberty to raise any plea on merit for all the appeals.

16. In the result, appeals of the assessee stand partly allowed for statistical purposes.

Order dictated and pronounced in the open court on 1 /12/2025.

Sd/-

(राजेश कुमार)

(RAJESH KUMAR)

लेखा सदस्य/ **ACCOUNTANT MEMBER**

दिनांक Dated 01/12/2025

Prakash Kumar Mishra, Sr.P.S.

Sd/-

(जार्ज माथन)

(GEORGE MATHAN)

न्यायिक सदस्य / **JUDICIAL MEMBER**

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant- Orissa State Co-operative Handicrafts Corporation Limited., Industrial Estate, Rasulgarh, Bhubaneswar
2. प्रत्यर्थी / The Respondent- **DCIT, Circle-1(1), Bhubaneswar.**
3. आयकर आयुक्त(अपील) / The CIT(A), NFAC, Delhi
4. आयकर आयुक्त / CIT , **Bhubaneswar**
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, **कटक** / DR, ITAT, Cuttack
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/ BY ORDER,

(Assistant Registrar आयकर अपीलीय
अधिकरण, कटक/ITAT, Cuttack