

आयकर अपीलीय न्यायाधिकरण में, हैदराबाद बेंच, हैदराबाद
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad “SMC” Bench, Hyderabad

श्री विजय पाल राव, माननीय उपाध्यक्ष एवं श्री मंजूनाथ जी, माननीय लेखा सदस्य
SHRI VIJAY PAL RAO, HON’BLE VICE PRESIDENT
AND
SHRI MANJUNATHA G, HON’BLE ACCOUNTANT MEMBER

आयकर अपील सं./I.T.A.No.768/Hyd/2025
(निर्धारण वर्ष/ Assessment Year: 2020-21)

Qadeer Ahmed Mohammed, R/o. Hyderabad. PAN : AAUPK1327J (अपीलार्थी/ Appellant)	Vs.	The Deputy Commissioner of Income Tax, Circle 1(1), Hyderabad. (प्रत्यर्थी/ Respondent)
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करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri Mohd Afzal, Advocate.
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Ms. P. Sumitha, Sr. A.R.
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	12.01.2026
घोषणा की तारीख/ Date of Pronouncement	:	21.01.2026

ORDER

PER MANJUNATHA G., A.M :

This appeal filed by the assessee is directed against the order of the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre [in short “NFAC”], Delhi, dated 07.03.2025, pertaining to the assessment year 2020-21.

2. The brief facts of the case are that, the assessee, who is an individual, filed his return of income for the assessment year 2020-21 on 11.02.2021 declaring total income at Rs. 0/-. The return was processed under Section 143(1)(a) of the Income-tax Act, 1961 on 05.10.2021. The assessee had shown net agricultural income of Rs. 78,65,000/- and also claimed current year loss of Rs. (-)63,30,196/- under the head "Profits & Gains from business or profession". The assessee is mainly engaged in the business of freight transport by road. The case was selected for limited scrutiny under CASS on the reasons of substantial increase in agricultural income as compared to the preceding year, agricultural income (risk analysis), and large agricultural income per acre shown in comparison to the average agricultural income for the territory, land ownership type and land type.

3. The A.O., after considering the submissions of the assessee and the material available on record, observed that, the assessee disclosed gross agricultural receipts of Rs. 78,65,000/- and stated that, no expenditure was incurred towards agricultural activities, thereby treating the entire amount as net agricultural income. The A.O. noted that, although the assessee furnished landholding

details and explained that, the agricultural land was inadvertently reported as 1 acre instead of 102.08 acres due to a clerical error, no documentary evidence regarding earnings from agricultural activities was filed. Despite issuance of notice under Section 143(2), notice under Section 142(1), show-cause notices, and providing opportunity of personal hearing through video conference, the assessee failed to produce bills, vouchers, details of crop yield, quantity sold, sale proceeds, or working of net agricultural income. The A.O. further observed that, though the assessee established landholding, he failed to substantiate the quantum of agricultural income claimed. Accordingly, the A.O. estimated the agricultural income by treating 60% of the net agricultural income as agricultural income and treated the balance 40% amounting to Rs. 31,46,000/- as income from other sources and added the same under Section 68 r.w.s. 115BBE of the Income-tax Act, 1961 and completed the assessment under Section 143(3) r.w.s. 144B of the Act vide order dated 26.09.2022.5.

4. Aggrieved by the assessment order, the assessee preferred an appeal before the Ld. CIT(A). Before the Ld. CIT(A), the assessee

admitted that, there was a delay in filing of the appeal and filed submissions seeking condonation of delay. The assessee explained that, he was suddenly taken ill and was unable to attend to the matter in time and, in addition, was facing family issues which required immediate attention. It was submitted that, due to the said circumstances, the assessee could not file the appeal within the prescribed period and, therefore, prayed that, the delay in filing of the appeal may be condoned and the appeal may be admitted for adjudication on merits.

5. The Ld. CIT(A), after considering the submissions of the assessee, observed that, the assessment order under Section 143(3) of the Income-tax Act, 1961 was passed on 26.09.2022 and served on the assessee on the same date, whereas the appeal was filed on 31.01.2023, beyond the period of limitation prescribed under Section 249(2) of the Act. The Ld. CIT(A) further observed that though the assessee stated that, he was ill, no documentary evidence was furnished in support of the said contention. Relying upon the decision of the Hon'ble Delhi High Court in Lava International Ltd. Vs. CBDT in Civil Writ Petition No. 8293/2024 dated 30.05.2024, the Ld. CIT(A) held that, the power of

condonation of delay can be exercised only in extraordinary circumstances and not routinely. Since the assessee failed to establish sufficient cause for the delay as contemplated under Section 249(3) of the Act, the Ld. CIT(A) declined to condone the delay and dismissed the appeal in 'limine' without adjudicating the issues on merits. Accordingly, the appeal was disposed of for statistical purposes.

6. Aggrieved by the order of the Ld. CIT(A), the assessee is now in appeal before the Tribunal.

7. The learned counsel for the assessee, Shri Mohd Afzal, Advocate, submitted that, the appeal before the Ld. CIT(A) was dismissed in 'limine' on the ground of delay in filing of the appeal and, therefore, the issues on merits were not adjudicated. He submitted that, the assessee was not well at the relevant point of time and the Doctor advised him to take rest, due to which the assessee could not spend time in filing of appeal, which resulted in the delay of 97 days. Therefore, submitted that delay may be condoned and matter may be remanded to A.O.

8. The learned Senior A.R. for the Revenue, Ms. P. Sumathi, on the other hand, relied upon the order of the Ld. CIT(A) and submitted that, the assessee had not filed supporting evidence before the Ld. CIT(A) for condonation of delay.

9. We have heard both the parties, perused the material available on record and had gone through the order of the authorities below. We find that, the Ld. CIT(A) dismissed the appeal filed by the assessee in 'limine' on the ground of delay in filing of the appeal. Admittedly, there is a delay of 97 days in filing of the appeal before the Ld. CIT(A). The assessee explained the reasons for the delay, however, the Ld. CIT(A) rejected the explanation of the assessee as supporting evidence was not filed. As per the assessee, he was not well at the relevant point of time, and the Doctor advised him to take rest. Due to this, the assessee could not spend time in filing of appeal, which resulted in the delay. In our considered view, the reasons given by the assessee come under 'sufficient cause' for condonation of delay. Although the reasons were submitted, the learned Ld. CIT(A) has dismissed the appeal in 'limine' without giving any proper reasons. Since the Ld. CIT(A) has dismissed the appeal in 'limine' and not

adjudicated on merits, we set aside the order passed by the Ld. CIT(A) and restore the issue back to the file of Ld. CIT(A) with a direction to reconsider the issue after providing reasonable opportunity of hearing to the assessee. Needless to say, the assessee shall furnish relevant details as and when the appeal is posted for hearing.

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

Order pronounced in the Open Court on 21st January, 2026.

Sd/- श्री विजय पाल राव (VIJAY PAL RAO) उपाध्यक्ष /VICE PRESIDENT	Sd/- (मंजूनाथ जी) (MANJUNATHA G.) लेखा सदस्य/ACCOUNTANT MEMBER
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Hyderabad, dated 21.01.2026.
TYNM/sps

आदेशकी प्रतिलिपि अग्रेषित/ Copy of the order forwarded to:-

1.	निर्धारिती/The Assessee	:	Qadeer Ahmed Mohammed, H.No.11-6-380/12, Nampally, Hyderabad – 500001.
2.	राजस्व/ The Revenue	:	The Deputy Commissioner of Income Tax, Circle 1(1), Hyderabad.
3.	The Principal Commissioner of Income Tax, Hyderabad.		
4.	विभागीयप्रतिनिधि, आयकर अपीलीय अधिकरण, हैदराबाद / DR, ITAT, Hyderabad		
5.	गार्डफ़ाईल / Guard file		

आदेशानुसार / BY ORDER

Sr. Private Secretary
ITAT, Hyderabad