

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़  
IN THE INCOME TAX APPELLATE TRIBUNAL  
DIVISION BENCH, 'A' CHANDIGARH

**BEFORE SHRI RAJPAL YADAV, VICE PRESIDENT AND  
SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER**

आयकर अपील सं./ ITA No. 610/CHD/2025  
निर्धारण वर्ष / Assessment Year. : 2017-18

Deepika Singla, Lekh Raj Moti Lal, Sadar Bazar, Barnala.	Vs	The ITO, Ward-1, Barnala.
स्थायी लेखा सं./PAN NO: AWZPS9654H		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

Assessee by : Shri Nagesh Behl, Advocate  
Revenue by : Shri Vivek Vardhan, Addl. CIT Sr.DR

Date of Hearing : 24.11.2025  
Date of Pronouncement : 27.01.2026

**ORDER**

**HYBRID HEARING**

**PER RAJ PAL YADAV, VP**

The assessee is in appeal before the Tribunal against the order of the Commissioner of Income Tax (Appeals) [in short 'the CIT (A)'] dated 21.01.2024 passed for assessment year 2017-18.

2. The Registry has pointed out that appeal is time barred by 390 days. The assessee has filed an application for condonation of delay. The affidavit annexed by the assessee alongwith the application reads as under :

*“I the above-named deponent, am well conversant with the below.*

*1. That the appeal filed by me before the LD. Commissioner (Appeals) was disposed of by order dated 21.01.2024 passed by National Faceless Appeal Centre (NFAC), Delhi*

*2. That the time for filing of the appeal before the Tribunal expired on 22-03-2024. That there is a delay of 399 days (calculated till 24<sup>th</sup> April, 2025).*

*3. That all my Income Tax related matters is being looked after by my Husband, I am house wife.*

*4. That my husband is physically handicap (divyangjan), he is dumb and also have Hearing Disability (deaf and dumb) since birth).*

*5. That my husband is 10<sup>th</sup> pass and left his studies after 10<sup>th</sup> because in his home town there was no school for deaf and dumb.*

*6. That my husband's accountant Mr. Prag Jindal, who was working in accounts department of his brother's company, and was also looking after my Income Tax related activities, left the job in the month of January 2024. As a result of the same, I could not file submissions before Ld. CIT (A) and also could not file appeal before Hon'ble ITAT.*

*7. That all my Income Tax work were taken care by Mr. Prag. While leaving job he did not gave any update to me or my husband. Accountant was based in Delhi and we are based in Barnala. Since my husband is deaf and dumb, therefore, he was unable to look after the income tax matters at all.*

*8. That due to his physical disability, he is fully depended on other persons who have the professional & technical knowledge of the subject.*

*9. That in the month of March 2025, I received an order dated 29.03.2025 imposing penalty u/s 271AAC(1) of the Act. Thereafter, my husband requested his brother to refer a person for income tax matters, while checking the online portal the new person came to know that my appeal has been dismissed and appeal is to be filed before Hon'ble ITAT.*

*10. That in this way there is a delay of 399 days for which an application has been filed along-with memorandum of appeal.*

*11. That delay in filing the appeal is because of the above-mentioned reasons and my husband physical disability.”*

3. Sub-section 5 of Section 253 contemplates that the Tribunal may admit an appeal or permit filing of memorandum of cross-objections after expiry of relevant period, if it is satisfied that there was a sufficient cause for not presenting

it within that period. This expression sufficient cause employed in the section has also been used identically in sub-section 3 of section 249 of Income Tax Act, which provides powers to the Id. Commissioner to condone the delay in filing the appeal before the Commissioner. Similarly, it has been used in section 5 of Indian Limitation Act, 1963. Whenever interpretation and construction of this expression has fallen for consideration before Hon'ble High Court as well as before the Hon'ble Supreme Court, then, Hon'ble Court were unanimous in their conclusion that this expression is to be used liberally. We may make reference to the following observations of the Hon'ble Supreme court from the decision in the case of Collector Land Acquisition Vs. Mst. Katiji & Others, 1987 AIR 1353:

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 non-deliberate 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.

4. Similarly, we would like to make reference to authoritative pronouncement of Hon'ble Supreme Court in the case of N. Balakrishnan Vs. M. Krishnamurthy (1998) 7 SCC 123 dated 03.09.1998. It reads as under:

*"Rule of limitation are not meant to destroy the right of parties. They are meant to see that parties do not*

*resort to dilatory tactics, but seek their remedy promptly. The object of providing a legal remedy is to repair the damage caused by reason of legal injury. Law of limitation fixes a life-span for such legal remedy for the redress of the legal injury so suffered. Time is precious and the wasted time would never revisit. During efflux of time newer causes would sprout up necessitating newer persons to seek legal remedy by approaching the courts. So a life span must be fixed for each remedy. Unending period for launching the remedy may lead to unending uncertainty and consequential anarchy. Law of limitation is thus founded on public policy. It is enshrined in the maxim Interest reipublicae up sit finislitium (it is for the general welfare that a period be put to litigation). Rules of limitation are not meant to destroy the right of the parties. They are meant to see that parties do not resort to dilatory tactics but seek their remedy promptly. The idea is that every legal remedy must be kept alive for a legislatively fixed period of time. A court knows that refusal to condone delay would result foreclosing a suitor from putting forth his cause. There is no presumption that delay in approaching the court is always deliberate. This Court has held that the words "sufficient cause" under Section 5 of the Limitation Act should receive a liberal construction so as to advance substantial justice vide Shakuntala Devi Jain Vs. Kuntal Kumari [AIR 1969 SC 575] and State of West Bengal Vs. The Administrator, Howrah Municipality [AIR 1972 SC 749]. It must be remembered that in every case of delay there can be some lapse on the part of the litigant concerned. That alone is not enough to turn down his plea and to shut the door against him. If the explanation does not smack of mala fides or it is not put forth as part of a dilatory strategy the court must show utmost consideration to the suitor. But when there is reasonable ground to think that the delay was occasioned by the party deliberately to gain time then the court should lean against acceptance of the explanation. While condoning delay the Court should not forget the opposite party altogether. It must be borne in mind that he is a loser and he too would have incurred quiet a large litigation expenses. It would be a salutary guideline that when courts condone the delay due to laches on the part of the applicant the court shall compensate the opposite party for his loss".*

5. In the light of above, if we have gone through the explanation of the assessee, then we find that she has genuinely faced hardship because her Tax Consultant did not look after the matter and did not disclose complete details of online up-dation of the litigation. In the absence of such email or other details, it was difficult for her to keep a tab on the status of the order passed by the Id.CIT (Appeals). Accordingly, we condone the delay in filing the appeal before the Tribunal and proceed to decide the appeal on merit.

6. With the assistance of Id. Representative, we have gone through the record carefully. We find that there was a delay of 54 days in filing the appeal before the Id. First Appellate Authority and Id.CIT (Appeals) did not condone the delay and dismissed the appeal. We have perused the record carefully. It is pertinent to note that assessee has filed a return of income disclosing total income at Rs.5,69,270/-. The AO has made an addition u/s 68 of Rs.56,17,375/-. This addition was made simply for the reason that assessee could not submit complete details of purchase as well as sales of the shares, but the punishment in the shape of tax liability is far disproportionate than the negligence, if any, at the end of the assessee in making the appeal time barred by 54 days. The Id. First Appellate Authority ought to have condone the delay

and decided the appeal on merit. Accordingly, we set aside the impugned order of the Id.CIT (Appeals) and restore the issues to the file of CIT (Appeals) for deciding it on merit after providing due opportunity of hearing to the assessee.

7. In the result, appeal of the assessee is allowed.

Order pronounced on 27.01.2026.

Sd/-

Sd/-

**(MANOJ KUMAR AGGARWAL)**  
**ACCOUNTANT MEMBER**

**(RAJPAL YADAV)**  
**VICE PRESIDENT**

“Poonam”

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाइल/ Guard File

सहायक पंजीकार/ Assistant Registrar