

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'C' BENCH, KOLKATA**

Before

**SHRI GEORGE MATHAN, JUDICIAL MEMBER
&
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**ITA No.: 2074-KOL-2025
Assessment Year: 2023-24**

Mihijam Educational Trust (Appellant)	Vs.	I.T.O., Ward-30(1), Kolkata (Respondent)
PAN: AABTM8529R		

Appearances:

Assessee represented by : Rishav Tulsian AR.

Department represented by : Ruchika Sharma, Sr. DR.

Date of concluding the hearing : 15-January-2026

Date of pronouncing the order : 29-January-2026

ORDER

PER RAKESH MISHRA, ACCOUNTANT MEMBER:

This appeal filed by the assessee is against the order of the Addl-JCIT(A)- Panchkula [hereinafter referred to as Ld. 'Addl-JCIT(A)'] passed u-s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for AY 2023-24 dated 07.08.2025.

2. The assessee is in appeal before the Tribunal raising the following grounds of appeal:

"1) For that on the facts and circumstances of the case, Ld. Addl. CIT (Appeals) NFAC was grossly erred in dismissing the appeal in limine on the issue of delay in filing the appeal.

2) For that on the facts and circumstances of the case, Ld. Addl. CIT (Appeals) NFAC was grossly erred in not condoning the delay of 257 days when same was sufficiently explained.



3) For that on the facts and circumstances of the case, Ld. Addl. CIT (Appeals) NFAC acted too technically in dismissing the appeal in limine on limitation issue throwing the merit of exemption of income U/s 10(23C)(iiiad) to appellant as an Educational Institution at bay.

4) For that on the facts and circumstances of the case, the order of Ld. Addl. CIT (Appeals) be set-aside and cancelled.

5) For that on the facts and circumstances of the case, Ld. CIT (Appeals) and Ld. A.O. CPC both erred in not allowing entire income of the appellant as exempt U/s 10(23C)(iiiad) and assessing Application of income Rs. 83,12,644/- as total income U/s 143(1) of the Act.

6) For that on the facts and circumstances of the case, Appellant be allowed exemption on its entire income as an Educational Institution in terms of Sec 10(23C)(iiiad) of the Act.

7) We crave leave to add, alter, amend, modify or withdraw any grounds of appeal on or before the date of hearing.”

3. Brief facts of the case as submitted by the assessee are that the assessee is an educational Trust registered under the Income Tax Act, 1961, and claims to have been solely engaged in providing education without any profit motive. For the AY 2023-24, the assessee had filed its income tax return u/s 139(1) of the Act declaring 'NIL' tax liability, with no tax refundable or payable. The return was filed in accordance with the established practice of the Trust, which had been consistently accepted in prior years. The Trust was eligible for exemption u/s 10(23C)(iiiad) of the Act, as its aggregate annual receipts did not exceed five crore rupees and it existed solely for educational purposes, it is claimed. Despite this, an intimation u/s 143(1) of the Act was issued by the Centralized Processing Centre (CPC, Bengaluru), erroneously adding an amount of ₹83,12,664/- under the head "income from Other



Sources." This addition disregarded the Trust's exempt status and led to an incorrect reflection of the taxable income. In response, the assessee filed a rectification application seeking correction of the errors. However, the rectification request was rejected prompting the present appeal. Additionally, the intimation u/s 143(1) of the Act did not mention an Order Date, indicating a procedural lapse and raising concerns about the validity and completeness of the intimation. It also failed to reconcile the taxable income with the net tax payable or refundable, incorrectly stating that "There is no payment due." Further compounding the issue, an outstanding demand of ₹32,20,170/- was being shown on the assessee's income Tax Portal for the relevant Assessment Year, which the assessee disputed as erroneous and contrary to the Trust's exempt status. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A) who, vide order dated 07.08.2025 dismissed the appeal of the assessee on account of delay of 257 days in filing the appeal before the Ld. CIT(A).

4. Aggrieved with the order of the Ld. CIT(A), the assessee has filed the appeal before the Tribunal.

5. Rival contentions were heard and the submissions made have been examined. The Ld. AR contended that the delay in filing the appeal ought to have been condoned as there was a sufficient cause for the delay as the assessee had filed a rectification application as was advised. The Ld. CIT(A) has stated that the rectification application was filed on 29/04/2025 and the rejection order came on 08/05/2025, while the original order appealed against was served on 23/08/2024. No explanation/justification had been offered for the period from the date of service of the original order till April 2025, which is a delay of



several months. Therefore, he has held that the current application amounts to an afterthought. The primary ground taken by the assessee for the delay was that they had opted for rectification under section 154 of the Act and only upon rejection of the same, they decided to file the appeal. the Ld. CIT(A) was of the view that filing a rectification application does not extend the statutory limitation period for filing an appeal under section 249(2) of the Act and it is also a settled principle that legal remedies or strategic mistakes made on the advice of consultants do not constitute sufficient cause for condonation of delay as condonation in such cases would set a precedent that encourages circumvention of statutory time limit which can significantly prejudice the finality of assessments.

6. We have considered the submissions made, gone through the facts of the case and perused the record and the order of the Ld. CIT(A). The Bench was of the view that the assessee had a reasonable cause for filing the appeal with the delay and the Ld. CIT(A) ought to have condoned the delay and decided the appeal on merits. After examining the facts of the case and the law, we deem it appropriate to set aside the order of the Ld. CIT(A) and restore the appeal to the Ld. CIT(A) for disposal of the grounds of appeal taken by the assessee on merit by passing a speaking order on the grounds raised before him. Needless to say, the assessee shall be given a reasonable opportunity of being heard to make any further submission it wants to make in support of its grounds of appeal and shall not seek unnecessary adjournments and rule 46A of the I.T. Rules, 1962 shall also be followed and an opportunity of being heard may be provided to the Ld. AO, if required.



Accordingly, all the grounds taken by the assessee in this appeal are partly allowed for statistical purposes.

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

Order pronounced in the open Court on 29th January, 2026.

Sd--

[George Mathan]
Judicial Member

Sd--

[Rakesh Mishra]
Accountant Member

Dated: 29.01.2026

Bidhan (Sr. P.S.)



Copy of the order forwarded to:

1. **Mihijam Educational Trust, 5, Gopal Ghosh Lane, Khidderpur, Kolkata, West Bengal, 700023.**
2. **I.T.O., Ward-30(1), Kolkata.**
3. Addl-JCIT(A)-Panchkula.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

--True copy --

By order

Assistant Registrar
ITAT, Kolkata Benches
Kolkata