

**आयकर अपीलीय अधिकरण, हैदराबाद पीठ**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**Hyderabad 'A' Bench, Hyderabad**

**Before Shri Manjunatha G., Accountant Member**  
**and**  
**Shri Ravish Sood, Judicial Member**

आ.अपी.सं /**ITA No.1501, 1514, 1515 & 1529/Hyd/2025**  
(निर्धारण वर्ष /AY: 2016-17, 2017-18, 2018-19 & 2019-20)

APMDC SCCL Suliya Coal Company Limited, Hyderabad. PAN: AALCA9755A	Vs.	DCIT, Circle-1(1), Hyderabad.
(Appellant)		(Respondent)

आ.अपी.सं /**ITA No.2271, 2272, 2282 & 2283/Hyd/2025**  
(निर्धारण वर्ष /AY: 2015-16, 2016-17, 2017-18 & 2018-19)

APMDC SCCL Suliya Coal Company Limited, Hyderabad. PAN: AALCA9755A	Vs.	DCIT, Circle-1(1), Hyderabad.
(Appellant)		(Respondent)
निर्धारिती द्वारा /Assessee by:	Shri R. Mohan Kumar, Advocate	
राजस्व द्वारा /Revenue by:	Shri Sankar Pandi P, Sr. AR	
सुनवाई की तारीख /Date of Hearing:	29/01/2026	
घोषणा की तारीख /Date of Pronouncement:	30/01/2026	

आदेश / ORDER

**PER. BENCH:**

The captioned appeals filed by the assessee company are directed against the respective orders passed by the Commissioner of

Income Tax (Appeals), National Faceless Appeal Centre, Delhi, which in turn arise from the respective orders passed by the Assessing Officer (for short "AO") under section 147 r.w.s 144 of the Income Tax Act, 1961 (for short "the Act") for Assessment Year (AY) 2016-17 to AY 2019-20. Also, the assessee company has assailed the orders passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, which in turn arise from the respective orders of the AO under section 271(1)(c) of the Act for AY 2015-16 and AY 2016-17 and under section 270A of the Act for AY 2017-18 and AY 2018-19. As certain common issues are involved in the captioned appeals, therefore, the same are being taken up and disposed of vide a consolidated order.

2. We shall first take up the appeal filed by the assessee company in ITA No.1501/Hyd/2025 for AY 2016-17, which arises from the order passed by the CIT(A), NFAC, which in turn arises from the order passed by the AO under section 147 r.w.s 144 of the Act, dated 14/03/2022. The assessee company has assailed the impugned order on the following grounds of appeal:

"1. In the facts and circumstances the case, the order of Ld. AO is not sustainable in law or on facts.

2. In the facts and circumstances of the case the AO ought to have allowed the expenditure incurred in the day to day running of the company from the total income determined.

3. The appellant may be permitted to add, delete, amend, alter any ground of appeal with the leave of the Hon'ble Tribunal.”

3. Succinctly stated, the assessee company, viz., APMDC SCCL Suliyari Coal Company Limited is a Joint Venture company of M/s. Andhra Pradesh Mineral Development Corporation Limited and M/s. Singareni Collieries Company Limited both of which are 100% State owned Government companies. The assessee company was incorporated in the year 2013 for development of a coal mine at Suliyari, Madhya Pradesh as per the then proposed allotment of coal blocks by the Central Government.

4. The AO based on information received in Actionable Information Monitoring System observed that the assessee company during the subject year was in receipt of interest income of Rs.80,20,933/- on which tax was deducted at source (TDS) under section 194A of the Act, but had not filed its return of income, initiated penalty proceedings under section 147 of the Act. Notice under section 148 of the Act, dated 29/03/2021 was served upon the assessee company. However, the assessee company failed to file its return of income in compliance to the aforesaid notice. Also, the notices issued by the AO under section 142(1) of the Act calling upon the assessee company to furnish

explanation/reply/documents was also not acted upon. Accordingly, the AO in the backdrop of the aforesaid facts issued a notice under section 144 of the Act, wherein the assessee company was called upon to explain as to why the assessment in its case may not be framed to the best of his judgment under the said statutory provision. However, the assessee again failed to submit any reply/documents as were called upon by the AO for framing the assessment.

5. The AO based upon the aforesaid facts was constrained to frame the assessment to the best of his judgment vide his order passed under section 147 r.w.s 144 r.w.s 144B of the Act, 14/03/2022, wherein he made an addition of the aforesaid interest income of Rs.80,20,933/- and determined the income of the assessee company at the same amount.

6. Aggrieved, the assessee company carried the matter in appeal before the CIT(A). As the assessee company despite sufficient opportunities, failed to participate in the proceedings before the CIT(A), therefore, the latter taking cognizance of the negligent behavior of the appellant company upheld the addition of Rs.80.20 lakhs (approx.) that was made by the AO. At the same time, the CIT(A) found favour with the assessee's contention that the AO while making the addition of the interest income on which tax was deducted at source (TDS) under

section 194A of the Act had failed to allow credit of the amount of tax so deducted, and directed the AO to give credit of the amount of the tax deducted at source (TDS) before arriving at the amount of tax payable in the hands of the assessee company. Accordingly, the CIT(A) partly allowed the appeal.

7. Assessee company aggrieved with the order of the CIT(A) has carried the matter in appeal before us.

8. Shri R. Mohan Kumar, Advocate, Learned Authorized Representative (for short, "Ld. AR") for the assessee company at the threshold of the hearing of the appeal submitted that the same involves a delay of 53 days. Elaborating on the reasons leading to the delay, the Ld. AR had drawn our attention to the petition filed by the assessee company seeking condonation of the delay, Page No.1 to 3 of APB. The Ld. AR submitted that the delay in filing of the appeal had crept in because of the reasons beyond the control of the assessee company. Elaborating on his contention, the Ld. AR submitted that the assessee company is a Joint Venture company of M/s. Andhra Pradesh Mineral Development Corporation Limited and M/s. Singareni Collieries Company Limited both of which are 100% Stated owned Government companies. The Ld. AR submitted that the assessee company was

incorporated in the year 2013 for development of a coal mine at Suliyari, Madhya Pradesh as per the then proposed allotment of coal blocks by the Central Government. Carrying his contention further, the Ld. AR submitted that in the year 2014, Government of India as per the directions of the Hon'ble Supreme Court had cancelled all coal blocks allotments across the country which included the coal block that was allotted to the assessee company. Accordingly, the very proposed objective of setting up of the Joint Venture got defeated and since then no operations were carried out by the assessee company. Apart from that, the division of the State of Andhra Pradesh in the same year defeated the very basic purpose for which the Special Purpose Vehicle (SPV) was created. The Ld. AR submitted that consequent to the division of the State of Andhra Pradesh, the parent companies were split between two States and there were no activities carried out by the assessee company.

9. Elaborating further on his contention, the Ld. AR submitted that at the relevant point of time almost all the Directors of the assessee company had left the organization either due to superannuation or retirement. It was submitted by him that there was no employee or any other person pertaining to M/s. Andhra Pradesh Mineral Development

Corporation Limited and M/s. Singareni Collieries Company Limited and all the emails were sent to the personal email account of the then Director who was no more in service of the assessee company. Accordingly, it was submitted by the Ld. AR that there was no effective service of notices on the assessee company due to which the latter had failed to respond to the same.

10. The Ld. AR submitted that the relevant point of time there were no employees especially those who could look into the finance and tax related matters of the assessee company and its tax compliances were being taken care of by a Tax Practitioner. Elaborating further on the facts, the Ld. AR submitted that in the absence of any activity of the assessee company, there was no person who could pursue the notices issued by the Department. Also, it was submitted by him that the top management of the assessee company was comprised of State Government employees who were not conversant with the ITBA portal. The Ld. AR submitted that the pending Income Tax issues had come to the notice of the assessee company only when the Department officials had taken recourse to coercive recovery proceedings for payment of the outstanding demand. The Ld. AR submitted that the assessee company on learning of the aforesaid pending Income Tax issues had without

involving any further loss of time filed an appeal against the order of the CIT(A) which by the time involved a delay of 53 days. The Ld. AR submitted that as the delay in filing of the present appeal had crept in because of bona fide reasons and not on account of any mala fide conduct of the assessee company, therefore, the same in all fairness and in the interest of justice be condoned.

11. Per contra, Shri Sankar Pandi P, Learned Senior Departmental Representative (for short, "Ld. Sr-DR") objected to the seeking of the condonation of the delay in filing of the present appeal by the assessee company.

12. We have thoughtfully considered the contentions advanced by the Learned Authorized Representatives of both parties regarding the delay of 53 days involved in filing of the present appeal before us. In our view, as there are justifiable reasons leading to the delay in filing of the present appeal, therefore, the same merits to be condoned. Our aforesaid view that a liberal approach should be taken while considering an application seeking condonation of the delay involved in filing of an appeal is supported by the judgment of the **Hon'ble Supreme Court** in the case of **Vidya Shankar Jaiswal vs. The Income Tax Officer, Ward-2, Ambikapur** in **Special Leave Petition (Civil) Nos. 26310-26311/2024**,

**dated 31<sup>st</sup> January, 2025.** The Hon'ble Apex Court while setting aside the order of the Hon'ble High Court of Chhattisgarh, which had approved the declining of the condonation of delay of 166 days by the Income-Tax Appellate Tribunal, Raipur Bench, had observed, that a justice-oriented and liberal approach should be adopted while considering the application filed by an appellant seeking condonation of the delay involved in filing the appeal. We thus, in terms of our aforesaid observations, condone the delay involved in the filing of the present appeal.

13. Coming to the merits of the case, we find that the AO in the absence of any compliance on the part of the assessee company to the notices issued under section 148 and under section 142(1) of the Act had made an addition of the entire amount of the interest income of Rs. 80,20,933/- based on an exparte order passed under section 148 r.w.s 144 r.w.s 144B of the Act, dated 14/03/2022.

14. On appeal, the CIT(A) in the absence of the prosecution of the appeal before him had summarily approved the addition of Rs.80,20,933/- and upheld the best judgment assessment framed by the AO under section 144 of the Act.

15. We have given thoughtful consideration to the facts due to which the assessee company had both failed to participate in the assessment proceedings as well as prosecute its appeal before the CIT(A). We find substance in the Ld. AR's contention that as the allotment of coal blocks was cancelled by the Government of India as per the directions of the Hon'ble Supreme Court in the year 2014, therefore, the proposed objective of setting up of the Joint Venture in the case of the assessee company got defeated and no operations were thereafter carried out. Apart from that, due to the division of the then State of Andhra Pradesh, the parent companies were split between two States and no activities were thereafter carried out by the assessee company. In our view, as there was closure of the operations of the assessee company and there were no employees to look into its finance and tax related matters, therefore, the assessment proceedings as well as those before the CIT(A) because of the aforesaid compelling circumstances had gone unattended. We are of firm conviction that as the assessee company has been visited with an exparte assessment order and an exparte dismissal of its appeal, therefore, the matter in all fairness and in the interest of justice requires to be restored to the file of the AO with a direction to readjudicate the case. Needless to say, the AO shall in the course of the set aside proceedings afford a reasonable opportunity of being heard to

the assessee company which shall remain at liberty to substantiate its contentions based on fresh documentary evidence, if any.

16. Before parting, we may herein observe that though the matter in all fairness and in the interest of justice in the backdrop of the attending facts has been restored by us to the file of the AO for de-novo adjudication, but at the same time, we will be failing in our duty if the conduct of the assessee company in not adopting a vigilant approach regarding its Income Tax matters is not deprecated. We, thus in order to discourage any lackadaisical and callous approach that had been adopted by the assessee company qua the proceedings before the lower authorities, and also the delay in filing of the present appeal before us, impose a cost of Rs.25,000/- which it is directed to deposit within a period of 15 days from the date of this order with the Prime Minister's National Relief Fund.

17. Resultantly, the appeal filed by the assessee company is allowed for statistical purposes in terms of our aforesaid observations.

**आ.अपी.सं /ITA No.1514, 1515 & 1529/Hyd/2025**  
**(निर्धारण वर्ष /AY:2017-18, 2018-19 & 2019-20)**

18. The Learned Authorized Representatives of both parties at the threshold of hearing of the appeals, submitted that except for the period of delay involved in the captioned appeals, the facts and the issue, and also the reasons leading to the delay in filing of the said respective appeals remain the same. We thus, in terms of our observations recorded while disposing of the appeal of the assessee company for AY 2016-17 in ITA No.1501/Hyd/2025, condone the respective delays involved in the captioned appeals filed by the assessee for the aforementioned years, viz., (i) AY: 2017-18 (54 days); (ii) AY: 2018-19 (54 days); and (iii) AY: 2019-20 (56 days). Accordingly, our order passed while disposing of the appeal in the case of the assessee company for AY 2016-17 in ITA No. 1501/Hyd/2025 shall apply *mutatis mutandis* for the purpose of disposing of the aforementioned appeals.

19. Before parting, we may herein observe that on the same terms on which we have disposed of the appeal of the assessee company for AY 2015-16 in ITA No.1501/Hyd/2025, cost of Rs.25,000/- for each of the aforementioned respective appeals is imposed on the assessee

company which it is directed to deposit within a period of 15 days from the date of this order with the Prime Minister's National Relief Fund.

20. In the result, all the four appeals filed by the assessee company are allowed for statistical purposes in terms of our aforesaid observations.

**आ.अपी.सं /ITA No.2272, 2282 & 2283/Hyd/2025**  
**(निर्धारण वर्ष /AY:2016-17, 2017-18 & 2018-19)**  
**(Penalty appeals)**

21. The captioned appeals filed by the assessee company are directed against the respective orders passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, which in turn arise from the orders passed by the AO under section 271(1)(c) of the Act for AY 2016-17 and under section 270A of the Act for AY 2017-18 and AY 2018-19.

22. As the respective quantum appeals for the aforementioned respective assessment years in the case of the assessee company had been set aside by us to the file of the AO for fresh adjudication, therefore, the respective penalties imposed by the AO under section 271(1)(c)/270A of the Act for the aforementioned years cannot survive on a stand alone basis and thus, on the same terms are set aside to the

file of the AO who shall remain at liberty to take appropriate action as per the extant law.

23. Before parting, we may herein observe that the captioned appeals filed by the assessee company against the respective penalties imposed by the AO under section 271(1)(c) of the Act and under section 270A of the Act also involved a delay, viz., (i) AY: 2016-17 (delay of 140 days); (ii) AY: 2017-18 (delay of 141 days); and (iii) AY: 2018-19 (delay of 141 days). We thus, taking cognizance of the lackadaisical conduct of the assessee company qua its income tax proceedings before the lower authorities as well as the delay in filing of the present appeals before us, thus, on the same terms impose a cost of Rs.25,000/- each for the said respective appeals, which the assessee company shall deposit within a period of 15 days from the date of this order with the Prime Minister's National Relief Fund.

24. Resultantly, the appeals filed by the assessee company are allowed for statistical purposes in terms of our above observations.

**आ.अपी.सं /ITA No.2271/Hyd/2025**  
**(निर्धारण वर्ष/AY: 2015-16)**

25. We shall now take up the appeal filed by the assessee company against the order passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, dated 16/04/2025, which in turn arises from the order passed by the AO under section 271(1)(c) of the Act, dated 27/09/2022 for AY 2015-16. The assessee company has assailed the impugned order on the following grounds of appeal:

- “1. In the facts and circumstances of the case, the respected CIT(A) ought to have condoned the delay and decided the appeal on merits.
2. In the facts and circumstances of the case, the respected CIT(A) ought to have considered that the penalty imposed is not sustainable on merits.
3. The appellant may be permitted to add, delete, amend any ground with leave of the Honourable Tribunal.”

26. Succinctly stated, the AO based on information received in Actionable Information Monitoring System, which revealed that the assessee company during the subject year had received interest income of Rs.76,44,978/- on which tax was deducted at source (TDS) under section 194A of the Act, but had not filed its return of income, initiated proceedings under section 147 of the Act. Notice under section 148 of

the Act, dated 29/03/2021 was issued and served upon the assessee company.

27. As the assessee company had neither complied to the notice issued under section 148 of the Act, dated 29/03/2021 nor complied with the notices issued under section 142(1) of the Act, therefore, the AO vide his order passed under section 147 r.w.s 144 r.w.s 144B of the Act, dated 15/03/2022 determined the income of the assessee company at Rs.76,44,980/-. Thereafter, the AO vide his order under section 271(1)(c) of the Act, dated 27/09/2022 imposed upon the assessee company penalty of Rs.23,62,299/-.

28. Aggrieved, the assessee company assailed the order passed by the AO under section 271(1)(c) of the Act before the CIT(A). As the assessee company had delayed the filing of the appeal before the CIT(A) by 663 days, therefore, the latter rejected the explanation of the assessee company and declined to condone the delay in exercise of the discretion vested with him under sub-section (3) of section 249 of the Act. For the sake of clarity, the observations of the CIT(A) are culled out as under:

“3. It is clear from the above that the order u/s271(1)(c)of the Income Tax Act, 1961 was made on 27.09.2022 which got served upon the

appellant on 27.09.2022 but the appeal was filed on 20.08.2024 with a delay of 663days [693 days (from 27.09.2022 to 20.08.2024) 30days] ie. beyond prescribed time of 30 days. whereas, the appellant was required to file appeal within 30 days as provided vide section 249(2) on receipt of order u/s 271(1)(c) of the Income Tax Act, 1961. The appellant has sought condonation of delay in filing the appeal on the grounds that the assessee is a joint venture between two state government undertakings, which remained non-operational due to the project not taking off. It has been contended that there were no employees available to handle financial or taxation matters, and the JV was dependent on an external tax practitioner. Further, the absence of familiarity with the ITBA portal by the top management and lack of coordination in responding to notices have been cited as reasons for the delay. The issue allegedly came to light only when the department pursued recovery of outstanding demand, prompting a review of the matter by the present management.

While these circumstances indicate administrative challenges and lack of operational structure, they do not, in themselves, amount to sufficient cause for condonation of such an extended delay. The assessee, being a government-backed joint venture, is expected to maintain basic compliance infrastructure, irrespective of operational status. Dependence on a third-party tax practitioner without adequate oversight, and unfamiliarity with the IT systems, cannot absolve the assessee of its statutory responsibilities, including timely filing of appeals. The explanation provided lacks evidence of reasonable diligence or efforts made to address the matter within the limitation period. In view of the above, the reasons furnished are not found to be adequate or compelling to justify condonation under the law. Hence, the reason stated can't be relied upon and therefore, as provided in the section 249(3) of the IT Act, I am not satisfied that the appellate had sufficient cause for not presenting the appeal within the specified period. Hence, since, appeal was not filed within prescribed time as provided in the section 249(2) of the IT Act, the same is not admitted.

4. In view of the above facts, the appeal is dismissed for statistical purpose and not required to be adjudicated on merits.

5. In result, the appeal is disposed off.”

29. We have heard the Learned Authorized Representatives of both parties, perused the orders of the authorities below and the material available on record.

30. Shri R. Mohan Kumar, Learned Authorized Representative (for short "Ld. AR") for the assessee at the threshold of hearing of the appeal submitted that the present appeal involved a delay of 171 days.

31. As the facts leading to the delay in filing of the present appeal before us remain the same as were there before us in the appeals filed by the assessee company in the aforementioned appeals, i.e., ITA No. 2272, 2282 & 2283/Hyd/2025 for AY:2016-17, 2017-18 & 2018-19, therefore, adopting the same view, we herein condone the delay.

32. Coming to the merits of the case, we have given thoughtful consideration and are of firm conviction that as there was an inordinate delay of 663 days involved in the appeal filed by the assessee company before the CIT(A), therefore, he had rightly declined to condone the same. We thus, finding no infirmity in the view taken by the CIT(A) who had declined to condone the inordinate delay of 663 days in filing of the appeal before him, uphold his order.

33. Resultantly, the appeal filed by the assessee company for AY 2015-16 in ITA No. 2271/Hyd/2025 is dismissed.

34. In the result, the appeals filed by the assessee company are disposed of as under:

**Quantum Appeals**

SI No	Asst. Year	ITA No.	Result
1.	2016-17	1501/Hyd/2025	Allowed for statistical purposes
2.	2017-18	1514/Hyd/2025	Allowed for statistical purposes
3.	2018-19	1515/Hyd/2025	Allowed for statistical purposes
4.	2019-20	1529/Hyd/2025	Allowed for statistical purposes

**Penalty Appeals**

SI No	Asst. Year	ITA No.	Result
1.	2015-16	2271/Hyd/2025	Dismissed
2.	2016-17	2272/Hyd/2025	Allowed for statistical purposes
3.	2017-18	2282/Hyd/2025	Allowed for statistical purposes
4.	2018-19	2283/Hyd/2025	Allowed for statistical purposes

Order pronounced in the open court on 30<sup>th</sup> January, 2026.

<b>Sd/-</b> <b>(MANJUNATHA G.)</b> <b>ACCOUNTANT MEMBER</b>	<b>Sd/-</b> <b>(RAVISH SOOD)</b> <b>JUDICIAL MEMBER</b>
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Hyderabad,

Dated : 30<sup>th</sup> January, 2026.

**OKK / SPS**

Copy to:

S.No	Addresses
1	APMDC SCCL Suliyari Coal Company Limited, Registered Office, 4 <sup>th</sup> Floor, Rear Block, HMWSSB Premises, Kharitabad, Hyderabad, Telangana-500004.
2	DCIT, Circle-1(1), IT Towers, AC Guards, Hyderabad.
3	The Pr.CIT, Hyderabad
4	The DR, ITAT Hyderabad Benches
5	Guard File

By Order

Sr. Private Secretary,  
ITAT, Hyderabad.