

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई
**IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH, CHENNAI**

श्री जॉर्ज जॉर्ज के, उपाध्यक्ष एवं श्री एस.आर.रघुनाथा, लेखा सदस्य के समक्ष
**BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT AND
SHRI S.R. RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 3351/CHNY/2025

निर्धारण वर्ष/Assessment Year: 2017-18

**Tamil Nadu Trade Promotion
Organization,**
6 – A/B/C,
Mount Poonamallee Road,
Nandambakkam,
Chennai – 600 089.

**The Deputy Commissioner
of Income Tax
(Exemptions),
Chennai.**

PAN: AABCT 6725H

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by

: Shri B. Ramakrishnan, FCA

प्रत्यर्थी की ओर से/Respondent by

: Shri M. Rajan, CIT

सुनवाई की तारीख/Date of Hearing

: 10.03.2026

घोषणा की तारीख/Date of Pronouncement

: 10.03.2026

आदेश / ORDER

PER GEORGE GEORGE K, VICE PRESIDENT:

This appeal filed by the assessee is directed against the Addl/JCIT(A), Raipur order dated 21.01.2025, passed under section 250 of the Income Tax Act, 1961 (hereinafter called 'the Act'). The relevant Assessment Year is 2017-18.

2. There is a delay of 234 days in filing the appeal. The Managing Director of the assessee company has filed an affidavit stating therein the reasons for belated filing of this appeal. It is stated that the assessee is a Non-profit company u/s.25 of the Companies Act, 1956. It is submitted that during the course of the statutory audit for the financial year 2024-25, for disclosure purposes in the financial statements to ascertain the litigation status of various appeals pending before the Department, assessee had accessed the ITBA portal. This exercise was done by assessee in the month of September, 2024 and it was noticed for the first time, the order passed by the CIT(A) for the assessment year 2017-18. It was further submitted that the assessee being a Government Undertaking, it is subject to periodic changes in its administrative personnel and legal counsel. It was submitted that due to such lack of continuity and regular follow-up with the concerned counsel, the appellate order passed by the CIT(A) had escaped the attention of the management within the prescribed time limit for filing further appeal before the Tribunal. Immediately upon becoming aware of the impugned order, the assessee approached its counsel, and upon his advice filed the present appeal before the Tribunal on 20.11.2025 with a delay of 235 days. On perusal of the reason stated, we find there is sufficient cause for delay in filing this appeal before the Tribunal. Hence, we condone the delay in filing the appeal and proceed to dispose off the appeal on merits.

3. At the very outset, we notice that the order passed by the First Appellate Authority (FAA) is *ex-parte*, since there was no compliance from the assessee to four notices issued from the office of the First Appellate Authority. We also note that the FAA had dismissed the appeal of the assessee *in-limine* without adjudicating the issues on merits.

4. The Ld.AR submitted that the FAA has dismissed the appeal for non-compliance and not on merits. It was prayed, in the interest of justice and equity, assessee may be provided with one more opportunity to present its case before the FAA.

5. The Ld.DR submitted that adequate opportunities were provided from the offices of the FAA and there is no violation of principles of natural justice. However, he could not controvert the fact that the FAA has dismissed the appeal for non-compliance.

6. We have heard rival submissions and perused the materials on record. The proceedings before FAA was *ex-parte*, since the assessee did not respond to various notices issued. We strongly deprecate the nonchalant attitude of the assessee in not responding to the notices issued from the offices of the FAA. We also noted that the FAA has simpliciter dismissed the appeal for non-compliance and

not adjudicated or decided merits of the case. We find that appellate authority has no jurisdiction to dismiss the appeal for default of non-compliance without going into merits. The FAA is bound to decide the appeal on merits even in the absence of assessee. This view of ours is supported by the decision of Hon'ble High Court of Madras in the case of Southern Steel Industries vs. AAC (CT), reported in [1996] 101 STC 273 (Mad). In term of the above, the order of FAA is set aside and matter remanded back to his file for fresh adjudication on merits after allowing reasonable opportunity of being heard to the assessee. The assessee is directed to co-operate with the Revenue and shall not seek unnecessary adjournment. It is ordered accordingly.

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

Order pronounced in the open court on 10th March, 2026 at Chennai.

Sd/-

(एस.आर. रघुनाथा)

(S.R. RAGHUNATHA)

लेखा सदस्य/ACCOUNTANT MEMBER

Sd/-

(जॉर्ज जॉर्ज के)

(GEORGE GEORGE K)

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,

दिनांक/Dated, the 10th March, 2026

RSR

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त /CIT, Chennai
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF.