

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

श्री जॉर्ज जॉर्ज के, उपाध्यक्ष एवं श्री जगदीश, लेखा सदस्य के समक्ष

**BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT AND
SHRI JAGADISH, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 2711/CHNY/2024

निर्धारण वर्ष/Assessment Year: 2017-18

M/s. Mani Polybags,
3/158, Kullurchandai Road
Allampatti,
Virudhunagar – 626 123.

The Income Tax Officer,
Vs. Ward 3,
Virudhunagar.

PAN: AAUFM 7313E

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by

: Shri V. Rajasekaran, C.A
(Through Virtual Mode)

प्रत्यर्थी की ओर से/Respondent by

: Ms. Anitha, Addl.CIT

सुनवाई की तारीख/Date of Hearing

: 18.12.2024

घोषणा की तारीख/Date of Pronouncement

: 19.12.2024

आदेश /O R D E R

PER GEORGE GEORGE K, VICE PRESIDENT:

This appeal at the instance of the assessee is directed against CIT(A) - NFAC order dated 23.08.2024, passed under section 250 of the Income Tax Act, 1961 (hereinafter called 'the Act'). The relevant Assessment Year is 2017-18.

2. Brief facts of the case are as follows:

The assessee is a firm. For the assessment year 2017-18, the return of income was filed on 31.03.2018 declaring total income of Rs.35,420/-. The assessment was completed u/s.143(3) of the Act vide order dated 07.12.2019 estimating total income at Rs.12,51,808/-. The assessee did not file appeal against the assessment order passed u/s.143(3) of the Act and the entire demand raised was paid. During the course of assessment proceedings, the AO had initiated penalty proceedings u/s.270A of the Act. The AO imposed penalty u/s.270A of the Act on 17.03.2020 amounting to Rs.1,87,932/-.

3. Aggrieved by the imposition of penalty u/s.270A of the Act, the assessee filed appeal before the First Appellate Authority. During the course of appellate proceedings, the CIT(A) issued four notices directing the assessee to furnish details / submissions, which the assessee did not respond. Consequently, the CIT(A) passed an ex-parte order dismissing the appeal of the assessee.

4. Aggrieved by the order of CIT(A) confirming the imposition of penalty u/s.270A of the Act amounting to Rs.1,87,932/-, the assessee has filed the present appeal before the Tribunal. The

Id.AR on merits submitted that CIT(A) has not examined the details of additions made by AO in the assessment order. It was submitted that the additions made will not come under the purview of underreporting. Further, the Id.AR submitted that the proceedings before the First Appellate Authority remained non-compliant since the hearing notices were never received in physical form to the assessee's address. It was submitted that in the interest of justice and equity, assessee firm may be provided with one more opportunity to represent its case and prayed for restoring the issue raised in this appeal to the files of the CIT(A).

5. The Id.DR supported the order of the AO imposing penalty and the CIT(A) order confirming the same.

5. We have heard rival submissions and perused the materials on record. The Office of the First Appellate Authority had issued four hearing notices. However, the same was not complied by the assessee firm. We strongly deprecate the nonchalant attitude of the assessee in not responding to the notices issued from the office of the CIT(A). However in the interest of justice and fair play, we are of the view that assessee ought to be provided with one more opportunity to represent its case. Accordingly, the issues raised in

this appeal are restored to the files of the CIT(A). The assessee is directed to co-operate with the Revenue and shall not seek unnecessary adjournment. It is ordered accordingly.

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

Order pronounced in the open court on 19th December, 2024 at Chennai.

Sd/-
(जगदीश)

(JAGADISH)

लेखा सदस्य/ACCOUNTANT MEMBER

चेन्नई/Chennai,

दिनांक/Dated, the 19th December, 2024

RSR

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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

Sd/-
(जॉर्ज जॉर्ज के)

(GEORGE GEORGE K)

उपाध्यक्ष /VICE PRESIDENT