

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 Nos.: **722 & 723/CHNY/2025**

निर्धारण वर्ष/Assessment Year: 2011-12

Shri Subramaniam Saravanan,
45-E/174, West Street,
Kalipalayam,
Pallapalayam,
Somanur,
Tirupur – 641 663.

The Income Tax Officer,
Vs. Ward 2(3),
Tiruppur.

PAN: BEWPS 4347M

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by
प्रत्यर्थी की ओर से/Respondent by

: Shri T.S. Lakshmi Venkataraman, FCA
: Ms. Pryati Sharma, JCIT

सुनवाई की तारीख/Date of Hearing

: 04.06.2025

घोषणा की तारीख/Date of Pronouncement

: 05.06.2025

आदेश / O R D E R

PER GEORGE GEORGE K, VICE PRESIDENT:

These appeals at the instance of the assessee are directed against the orders of Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dated 22.09.2023 and 27.02.2025, passed under section 250 of the Income Tax Act, 1961 (hereinafter called 'the Act'). The relevant Assessment Year is 2011-12.

2. The assessee has filed appeals against the CIT(A)'s orders in respect of quantum addition and penalty order. First, let us deal with appellate order in respect of quantum addition in ITA No.722/CHNY/2025.

3. There is a delay of 466 days in filing the appeal in ITA No.722/CHNY/2025. The assessee has filed condonation petition along with affidavit stating therein the reasons for belated filing of this appeal. The reasons stated in the affidavit for belated filing is that, the assessee received the appellate order in connection with penalty order dated 27.02.2025. On receipt of the CIT(A)'s order confirming the penalty order levied by the AO, the assessee contacted his representative, who is an Income Tax Practitioner but he was unable to guide him further course of action. Therefore, the assessee took the services of Shri T.S. Lakshmivenkataraman the current AR for proper professional guidance. On receipt of the penalty order, the Ld.AR checked the Income Tax Portal and found the appellate order in respect of quantum appeal has already been passed. Immediately the Ld.AR took steps to file appeal before the Tribunal against the quantum order and penalty order passed by the CIT(A). Therefore, the assessee was unaware of the appellate order in respect of quantum appeal passed by the AO till he receives the

appellate order in respect of penalty order. Therefore, there is a delay of 466 days in filing the appeal against the quantum order before the Tribunal. Moreover, the assessee has stated that there is no 'Real Time alert' in the National Faceless Appeal Scheme, 2023. Therefore, the assessee nor his authorized representative have received any notices vide email or to their mobile. On perusal of the same, we find there is sufficient reason 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.

4. At the very outset, we notice that the assessment has been completed on best judgment basis u/s.144 r.w.s. 147 of the Act on 28.12.2018. Further the CIT(A)'s order is also ex-parte, since there was no response from the assessee to the notices issued from the office of the First Appellate Authority calling for filing documents / evidences.

5. The Id.AR submitted that the assessee is an individual acting as a broker in yarn business. It was submitted that since there is no 'Real Time alert' in the National Faceless Appeal Scheme, 2023, the assessee nor his authorized representative have received any notices vide email or to their mobile. Consequently, the assessee was

unaware of the notices and hence, could not represent his case before the AO and CIT(A). Therefore, the Ld.AR prayed in the interest of justice and equity, the issue may be restored to the files of the AO as a last opportunity for proper representation of his case.

6. The Id.DR submitted that adequate opportunities were provided from the offices of the AO and the CIT(A) and there is no violation of principles of natural justice. Therefore, it was prayed the appeal of the assessee may be dismissed.

7. We have heard rival submissions and perused the materials on record. The proceedings before the AO as well as the CIT(A) 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 AO and the CIT(A). However in the interest of justice and fair play, we are of the view that the matter ought to be restored to the files of the AO with a condition assessee pays a cost of Rs.5,000/- (Rupees five thousand only) to be paid to Tamil Nadu State Legal Services Authority at the Hon'ble High Court of Madras. The amount of Rs.5,000/- shall be paid within a month's time from the date of receipt of this order and assessee shall produce the receipt for the

said payment before the AO. Accordingly, the matter is remitted to the files of the AO for fresh adjudication. The AO shall afford reasonable opportunity of hearing to the assessee. The assessee is directed to co-operate with the Revenue and shall not seek unnecessary adjournment. It is ordered accordingly.

8. Coming to ITA No.723/CHNY/2025, the assessee has filed this appeal against the appellate order confirming the penalty levied by the AO. Since, we have already set aside the quantum appeal in ITA No.722/CHNY/2025 to the files of the AO for fresh adjudication, we deem it appropriate to set aside the penalty order to the files of the AO to decide along with the quantum appeal afresh. It is ordered accordingly.

9. In the result, both the appeals filed by the assessee are allowed for statistical purposes.

Order pronounced in the open court on 5th June, 2025 at Chennai.

Sd/-

(एस.आर. रघुनाथा)

(S.R. RAGHUNATHA)

लेखा सदस्य/ACCOUNTANT MEMBER

चेन्नई/Chennai,

दिनांक/Dated, the 5th June, 2025

RSR

Sd/-

(जॉर्ज जॉर्ज के)

(GEORGE GEORGE K)

उपाध्यक्ष /VICE PRESIDENT

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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