

IN THE INCOME TAX APPELLATE TRIBUNAL "PATNA BENCH", PATNA
(VIRTUAL HEARING AT KOLKATA)

SHRI GEORGE MATHAN, JUDICIAL MEMBER
SHRI SANJAY AWASTHI, ACCOUNTANT MEMBER

I.T.A. No. 148/Pat/2023
(Assessment Year 2015-16)

I.T.A. No. 149/Pat/2023
(Assessment Year 2016-17)

I.T.A. No. 150/Pat/2023
(Assessment Year 2017-18)

I.T.A. No. 151/Pat/2023
(Assessment Year 2018-19)

&

I.T.A. No. 152/Pat/2023
(Assessment Year 2019-20)

Uma Kant Singh,
Jagdev Nagar, Laliyahi,
Purnea -854105, Bihar
[PAN: AQDPS7074H]

..... **Appellant**
vs.

DCIT/ACIT, Central Circle-3,
Patna - 800001

..... **Respondent**

Appearances by:

Assessee represented by : Manish Rastogi, AR

Department represented by : Ashwani Kumar, Sr. DR

Date of concluding the hearing : 26.06.2025

Date of pronouncing the order : 02.07.2025

ORDER

PER SANJAY AWASTHI, ACCOUNTANT MEMBER

1. This is a batch of 5 appeals pertaining to the same assessee. In all of these cases, the issue involves levy of penalty either u/s 271(1)(c) of the Income Tax Act, 1961 (hereafter "the Act") or section 270A of the Act. Since,

the issues are inter-connected, these five appeals are being disposed of through a single order. For the sake of convenience, the lead case shall be taken as ITA No. 148/Pat/2023 pertaining to AY 2015-16.

2. In these five cases, the following is the position regarding the levy of penalty.

(a) AY 2015-16

Penalty u/s 271(1)(c) of the Act of Rs. 18,23,170/- was levied.

(b) AY 2016-17

Penalty u/s 271(1)(c) of the Act of Rs. 3,50,925/- was levied.

(c) AY 2017-18

Penalty u/s 270A of the Act was levied of Rs. 3,50,925/-

(d) AY 2018-19

Penalty u/s 270A of the Act was levied at Rs. 9,52,338/-.

(e) AY 2019-20

A penalty u/s 270A of the Act was levied of Rs. 86,72,973/-

2.1 As earlier mentioned, since the lead case is ITA No. 148/Pat/2023 pertaining to AY 2015-16, the facts are that there was a search and seizure on the Uma Kant Singh Group on 29.10.2020. Thereafter, an assessment order u/s 153A of the Act was passed on 31.03.2022. For the quantum matter, the assessee accepted the Ld. AO's order and did not file any appeal, ostensibly to buy peace of mind. However, the Ld. AO proceeded to impose the impugned penalty u/s 271(1)(c) of the Act. It is seen that before the Ld. CIT(A), the assessee did not appear in response to the single notice fixing the date for hearing and is seen to have not filed any submission also in response to the said notice. Thereafter, the Ld. CIT(A) proceeded ahead to confirm the penalty levied by the Ld. AO. We find an identical pattern in

other appeals also of a single notice being issued by the Ld. CIT(A) for which there was seen to be no response from the side of the assessee and thereafter, the penalty imposed in all the five years involved have been confirmed.

2.2 Before us, the Ld. AR mentioned that it was not because of any admission of guilt because of which the assessee chose not to file any appeal in the quantum matter. Rather, it was to buy peace of mind that he did so. It was also pointed out by the Ld. AR that after just one opportunity of hearing the Ld. CIT(A) has passed an adverse order. The Ld. AR also stated that the initiation of penalty was also faulty in as much as it was not clear whether the same was initiated for concealment of income or for furnishing inaccurate particulars. The Ld. AR prayed that notwithstanding his arguments on the merit of the matter, alternatively, the assessee may be given a chance to make a presentation of law and facts before the Ld. CIT(A).

2.3 The Ld. DR relied on the orders of authorities below.

3. We have carefully considered the averments of the Ld. AR/DR and we have also gone through the record before us. It is seen that indeed the Ld. CIT(A) gave only one opportunity to the assessee and due to non-compliance thereon, he proceeded to confirm the impugned penalties in all the 5 cases. We feel that in the interests of substantive justice, these matters deserve to be set aside and remanded back to the file of Ld. CIT(A) for fresh adjudication on merits. We direct that the Ld. CIT(A) would also adjudicate the ground of alleged improper initiation of penalty, as raised before us by the assessee, and thereafter, the adjudication on the merits as well would be done. Needless to say, an opportunity of being heard would be given to the assessee.

4. In result, all the five appeals are allowed for statistical purposes.

Order pronounced on 02.07.2025

Sd/-
(George Mathan)
Judicial Member

Sd/-
(Sanjay Awasthi)
Accountant Member

Dated: 02.07.2025
AK, Sr. P.S.

Copy of the order forwarded to:

1. Uma Kant Singh
2. DCIT/ACIT, Central Circle-3, Patna
3. Pr. CIT
4. CIT(A)
5. CIT(DR)

//True copy//

By order

Assistant Registrar, Kolkata Benches