

**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**“B” BENCH, CHANDIGARH**

**PHYSICAL HEARING**

**BEFORE HON’BLE SHRI RAJPAL YADAV, VICE PRESIDENT**  
**AND**  
**HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM**

**1. आयकर अपील सं./ ITA No.205/CHANDI/2025**  
**(निर्धारण वर्ष / Assessment Year: 2017-18)**

**&**

**2. आयकर अपील सं./ ITA No.206/CHANDI/2025**  
**(निर्धारण वर्ष / Assessment Year: 2017-18)**

<b>Shri Sachin Chawla</b> B-XXIII, 2945 Link Road Ganesh Nagar, Ludhiana.	<b>बनाम/ Vs.</b>	<b>ITO Ward-2(1)</b> Aaykar Bhawan, Rishi Nagar Ludhiana.
<b>स्थायीलेखासं./जीआइआरसं./PAN/GIR No. AGGPC-0079-H</b>		
(अपीलार्थी/ <b>Appellant</b> )	:	(प्रत्यर्थी / <b>Respondent</b> )

अपीलार्थीकीओरसे/ <b>Appellant by</b>	:	Shri Sudhir Sehgal (Advocate.) – Ld. AR
प्रत्यर्थीकीओरसे/ <b>Respondent by</b>	:	Dr. Ranjit Kaur (Addl. CIT) – Ld. Sr. DR

सुनवाईकीतारीख/ <b>Date of Hearing</b>	:	15-07-2025
घोषणाकीतारीख / <b>Date of Pronouncement</b>	:	23-07-2025

**आदेश / O R D E R**

**Manoj Kumar Aggarwal (Accountant Member)**

1. By way of these appeals for Assessment Year (AY) 2017-18, the assessee assails confirmation of quantum addition and consequential levy of penalty u/s 271AAC. The registry has noted delay of 283 days in quantum appeal ITA No.205/Chandi/2025 and delay of 130 days in penalty appeal ITA No.206/Chandi/2025. The condonation of delay has

been sought by Ld. AR on the strength of condonation petition which is accompanied by an affidavit of the accountant of the assessee wherein it has been stated that the notices have been issued on email which was being operated by the accountant. The Ld. AR also stated that Ld. CIT(A) has dismissed the appeals for want of condonation of delay which happened due to same very reasons. In this background, Ld. AR sought adjudication of appeals on merits. The same has been opposed by Ld. Sr. DR.

2. Keeping in mind the guiding principles laid down by Hon'ble Supreme Court in the case of **N. Balakrishnan vs. M. Krishnamurthy (7 SCC 123)** with respect to delay, we condone the delay before Tribunal as well as before Ld. CIT(A). Since the assessment has been framed on *best judgment basis*, the quantum appeal is set aside to the file of Ld. AO for de novo assessment with a direction to the assessee to plead and prove its case forthwith. The levy of penalty is consequential in nature and therefore, the same is also restored back to Ld. AO for fresh adjudication considering the quantum assessment.
3. Both the appeals stand allowed for statistical purposes.

Order pronounced on 23-07-2025

Sd/-

**(RAJPAL YADAV)**  
**VICE PRESIDENT**

Sd/-

**(MANOJ KUMAR AGGARWAL)**  
**ACCOUNTANT MEMBER**

Dated: 23-07-2025.

**आदेश की प्रतिलिपि अग्रेषित /Copy of the Order forwarded to :**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT CHANDIGARH