

IN THE INCOME TAX APPELLATE TRIBUNAL
"SMC" BENCH, NAGPUR

BEFORE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER

ITA no.501/NAG/2025
(Assessment Year :2016-17)

Arpita Mathew Arukakkal,
Residency Road, Sadar
Nagpur- 440001,
Maharashtra.
PAN – ARKPM3965D

..... Appellant

v/s

Income Tax Officer
Ward-5(3), Nagpur,
Maharashtra.

..... Respondent

Assessee by:Shri.Sapan Usrethe.A.R.
Revenue by :Shri.Surjit Kumar Saha.Sr.DR

Date of Hearing – 10/10/2025

Date of Order – 10/10/2025

ORDER

The assessee has filed the appeal against the order dated 27/06/2025, passed by the CIT(A)/National Faceless Appeal Centre, Delhi, u/sec 147 r.w.s. 144 and u/sec 250 of the Income Tax Act, 1961 (for short "*the Act*") for the A.Y. 2016-17. The assessee has raised the following grounds of appeal:-

"1. On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in dismissing the appeal on the ground of delay without properly considering the application for condonation of delay filed during the appellate proceedings.

2. *On the facts and circumstances of case the learned National Faceless Appeal Centre was not justified in dismissing the appeal on the ground of delay without deciding the appeal on merit and without considering the circumstances occurred in filing the appeal in delay as no notice of hearing was received by the appellant.*
3. *On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in confirming the addition made by AO without appreciating that notice issued under Section 148 of the Act was in violation of Section 151(1), 1448 of the Act, and the Faceless Jurisdiction of the Income Tax Authorities Scheme, 2022 as well as the E-Assessment of Income Escaping Assessment Scheme, 2022 promulgated by the CBDT and hence notice and subsequent proceeding is void.*
4. *On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in confirming the addition of Rs.23,30,338 made by AO without appreciating that AO has made the addition on issue which was never recorded in the reasons for re-opening and it is settled issue that no addition can be made if addition was not made on the issue of reopening of assessment and hence assessment proceeding is invalid.*
5. *On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in confirming the addition of Rs.23,30,338 made by AO without appreciating that no proper service of notice was done in the case.*
6. *On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in confirming the addition of Rs.23,30,338 made by AO without appreciating that assessment order passed under section 1448 of the Act is without following the procedure as laid down in section 144B and therefore the appellant was not able to file reply.*
7. *On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in confirming the addition made by AO without appreciating that prior of issuing notice under section 148 of the Act, no enquiry was done by the AO on the material available on record, which is against the provisions of law.*
8. *On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in confirming the addition of Rs.23,30,338 made by AO without appreciating that AO was having information, prior to completion of assessment, that disputed bank account belongs to the society in which appellant was simply a beneficiary and during assessment, no efforts were taken to question the deposits from the society.*

9. On the facts and circumstances of the case the learned National Faceless Appeal Centre was not justified in confirming the addition of Rs.23,30,338 made by AO without appreciating that expenses the AO for addition pertain to the bank account of the society which is separate entity and only on presumption, it has been taxed as unexplained expenditure in the hands of the appellant.

10. The appellant craves for leave to amend, add to or omit any ground up to the time of hearing of the appeal.”

2. The brief facts of the case are that, the Assessing Officer has received information from AIMS that during the F.Y. 2015-16, there are cash deposits of Rs.69,50,000/- in the central bank of india in the account of the assessee. The Assessing Officer has reason to believe that the income has escaped assessment and issued notice u/sec 148 of the Act. Subsequently, the assessee was provided reasons and notice u/sec 142(1) of the Act was issued and there was no compliance. Whereas, finally against the show cause notice, the assessee has made submissions explaining that the assessee is a Catholic religious Nun and holding the post of President of Sanjeevani Society, Wardha, and signatory of the bank accounts and due to which her Permanent Account Number mentioned in the KYC norms by the bank. The assessee mentioned that the transaction does not belong to her and the Society has also filed the details in respect of the bank transactions. Whereas, the Assessing Officer has dealt on the assessee's submissions and issued notice u/sec 133(6) of the Act on the bank accounts pertaining to sanjeevani society. Therefore, the Assessing Officer based on the submissions and the information available on record made addition of withdrawals made out of

opening balance and credits from all the three bank accounts dealt at Page 9 of the order as unexplained expenditure u/sec 69C of the Act and assessed the total income of Rs.23,30,338/- and passed the order u/sec147r.w.s. 144 r.w.s144B of the Act dated 05/03/2024. The assessee being aggrieved by the order, has filed the appeal before the CIT(A).

3. In the appellate proceedings, the CIT(A) found that there is a delay of 201 days in filing the appeal and the assessee could not explain the delay with sufficient cause. Whereas, the assessee has filed the detailed explanations for the delay but the CIT(A) was not satisfied with the explanations and has not condoned the delay and dismissed the appeal filed by the assessee in limine/ not maintainable. The assessee being aggrieved by the order has filed the appeal before the Hon'ble Tribunal.

4. At the time of hearing, the Id. A.R. for the assessee submitted that the CIT(A) has erred in not condoning the delay though the assessee has explained with supporting details that the assessee is a Catholic religious Nun and holding the post of President of Sanjeevani Society, Wardha, and signatory of the bank accounts and due to which her Permanent Account Number mentioned in the KYC norms by the banks and the assessee is not aware of the provisions of the Income Tax and the delay was not a deliberate act. Further the assessee has a good case on merits and prayed for granting of opportunity to substantiate the case with evidences and information before the lower authorities. The Ld.AR

substantiated the submissions with the factual paper book and judicial decisions. Per-contra, the learned Departmental Representative relied on the order of CIT(A).

5. Heard the rival submissions and perused the material on record. Prima-facie, the sole grievance of the assessee that the learned CIT(A) has dismissed the appeal as not maintainable by overlooking the fact the assessee has a good case on merits. On a perusal of the CIT(A) order, the appellate authority has provided opportunity to explain the sufficient cause for the delay in filing the appeal and there was compliance by the assessee explaining the delay dealt at Para 3.1 of the order. Whereas the delay in filling the appeal before the CIT(A) by the assessee is supported with the sufficient cause and pragmatic approach should be considered for condonation of delay and accordingly the delay is condoned. Hence, considering the facts, circumstances, submissions of the Ld.AR, judicial decisions and to meet the ends of justice, the assessee should be provided with one more opportunity for hearing. Accordingly, the order of the CIT(A) is set aside and restore the disputed issues to the file of the assessing officer to adjudicate afresh on merits and the assessee should be provided adequate opportunity of hearing and the assessee should cooperate in submitting the information. And the grounds of appeals of the assessee are allowed for statistical purposes.

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

Order pronounced on /10/2025 as per rule 34(5) of the ITAT Rules 1963

Sd/-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The PCIT / CIT (Judicial);*
- (4) *The DR, ITAT, Nagpur; and*
- (5) *Guard file.*

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

Sr. Private Secretary
ITAT, Nagpur