

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, CHENNAI

श्री एबी टी वर्की, न्यायिक सदस्य एवं श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष
BEFORE SHRI ABY T VARKEY, JUDICIAL MEMBER AND
SHRI S.R.RAGHUNATHA, ACCOUNTANT MEMBER

आयकर अपीलसं./ITA Nos.2894 & 2895/CHNY/2025
(निर्धारण वर्ष / Assessment Year:2012-13)

Sankar Rudrasenan, 38, B/2 C.H.B Colony, Velur Road, Tiruchengode Namakkal - 637 211.	vs.	The Income Tax Officer, Ward-2, Namakkal.
[PAN:ALXPR-7288-M] (अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Mr. T.S. Lakshmi Venkatraman, FCA
(Virtual).

प्रत्यर्थी की ओर से/Respondent by : Mr. K. Ilaiyaraja, Addl. CIT.

सुनवाई की तारीख/Date of Hearing : 17.12.2025

घोषणा की तारीख/Date of Pronouncement : 29.12.2025

आदेश / O R D E R

PER S.R.RAGHUNATHA, AM:

These appeals of the assessee are filed against the separate orders of the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, (in short 'Id.CIT(A)') for the assessment year 2012-13, vide both the orders dated 23.06.2025 against the assessment order passed by the AO, NFAC, Delhi, u/s.147 r.w.s 144B of the Income Tax Act, 1961 (in short

'the Act') dated 25.09.2021 and the penalty order u/s.271(1)(c) of the Act dated 23.12.2021 respectively.

2. The brief facts of the case are that the assessee is an individual and has filed his return of income on 04.01.2023 for the AY 2012-13 by admitting total income of Rs.3,14,000/-. Based on the information available with the department, the Assessing Officer noticed that the assessee made cash deposits to the tune of Rs.58,19,000/- into his bank account. The AO issued statutory notices to the assessee and called for details, but the assessee failed to respond to any of the notices. The AO completed the assessment u/s.147 r.w.s 144B of the Act dated 25.09.2021 after making addition of cash deposit of Rs.58,19,000/- as undisclosed income u/s.68 of the Act and arriving total income of Rs.61,33,200/-.

3. Further, the AO imposed a penalty of Rs.17,28,897/- being 100% of the tax sought to be evaded on the concealed income by passing a penalty order u/s.271(1)(c) of the Act dated 23.12.2021.

4. Aggrieved by the orders of the Assessing Officer, the assessee filed two separate appeals before the Id. CIT (A), NFAC, Delhi. The Id.CIT(A) dismissed the appeals in limine without condoning the delay in filing the quantum appeal with a delay of 3 months and 2 days and penalty appeal with a delay of 4 days, stating that the assessee has stated as 'NO' against the question relating to delayed filing in Form – 35. Further, the Id.CIT(A) has provided thirteen opportunities in both the appeals, to the assessee to appear for hearings as detailed in paragraph 7 of the Id.CIT(A) order to support the appeal of the assessee. However, the assessee chose to be silent and did not respond to any of the notices and hence, the Id.CIT(A) passed separate orders dated 23.06.2025 by confirming the orders of the Assessing Officer. Aggrieved by the impugned orders of the Ld.CIT(A), the assessee is in appeal before us.

5. The Id.AR submitted that the assessee has maintained proper books of accounts and has also filed Tax Audit Report in Form 3CB-3CD. The above deposits made are properly accounted and explained by way of books of account maintained by the assessee and lower authorities are not justified in assessing the entire deposits as income and delay has been covered by the Covid Pandemic. In view of the above, the Id.AR prayed to set aside the order of Id.CIT(A) and remit the issues to the file of Assessing Officer. Further, Id.AR assured the bench that the Id.AR will represent on behalf of the assessee before the AO to complete the assessment effectively.

6. Per contra, the Id.DR submitted that both the Assessing Officer and the Id.CIT(A) provided sufficient opportunity to appear before them. However, the assessee has been negligent in responding to the statutory notices and hence, prayed for confirming the order of the Id.CIT(A).

7. We have heard the rival parties and perused the material available on record and gone through the orders of the lower authorities. We note that the AO has passed order by considering the submissions made by the assessee along with the information available with the department and the same has been dismissed by the Id.CIT(A), NFAC due to non-participation. Since the assessee has failed to participate before the Assessing Officer as well as the Id.CIT(A), we levy the cost of Rs.5,000/- to be paid to State Legal Aid Authority, Hon'ble High Court of Madras within 30 days from the date of receipt of this order and the assessee shall satisfy the payment of cost before the authorities.

8. Therefore, in the present facts and circumstances of the case and to meet the ends of justice, we deem it fit to provide one more opportunity for the assessee. Therefore, we condone the delay in filing the appeal before Id.CIT(A) as the assessee had filed the condonation of delay in his form 35 itself and

hence, we set aside the order of the Id.CIT(A) and remit the matter back to the file of AO to frame the denovo assessment in accordance to law, after providing reasonable opportunity to the assessee. Needless to say, assessee to be diligent and file written submissions and relevant documents if advised so.

9. Since the order in quantum appeal in ITA No.2894/Chny/2025 (supra) has already been set aside and remitted back to the AO, the consequential penalty order passed u/s.271(1)(c) of the Act dated 23.12.2021, is likewise hereby set aside and remitted back to AO to decide the issue along with the quantum assessment.

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

Order pronounced in the court on 29th December, 2025 at Chennai.

Sd/-
(एबी टी वर्की)
(ABY T VARKEY)
न्यायिक सदस्य/Judicial Member

Sd/-
(एस. आर. रघुनाथा)
(S.R.RAGHUNATHA)
लेखासदस्य/Accountant Member

चेन्नई/Chennai,

दिनांक/Dated, the 29th December, 2025

jk

आदेश की प्रतिलिपि □ ग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent

3. आयकर आयुक्त/CIT– Chennai/Coimbatore/Madurai/Salem
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF