

आयकर अपीलीय अधिकरण, रायपुर न्यायपीठ, रायपुर
IN THE INCOME TAX APPELLATE TRIBUNAL RAIPUR BENCH, RAIPUR
श्री पार्थ सारथी चौधरी, न्यायिक सदस्य एवं श्री अवधेश कुमार मिश्र, लेखा सदस्य के समक्ष
BEFORE SHRI PARTHA SARATHI CHAUDHURY, JM &
SHRI AVDHESH KUMAR MISHRA, AM

आयकर अपील सं. / ITA No: 820/RPR/2025
(निर्धारण वर्ष Assessment Year: 2014-15)

Seva Ram Sahu, Ward No. 24, Janjiri, Bhilay Marsiling Yard, Charoda, Durg-490042, Chhattisgarh	Vs	The Income Tax Officer, Ward-1(5), Office of the Income Tax Officer, 18/32 Bungalow, Sector-6, Bhilai, Chhattisgarh
PAN: BOQPR9400C		
(अपीलार्थी/Appellant)	:	(प्रत्यर्थी / Respondent)
निर्धारिती की ओर से / Assessee by	:	Shri Rajat Kumar, CA
राजस्व की ओर से / Revenue by	:	Dr. Priyanka Patel, Sr. DR
सुनवाई की तारीख / Date of Hearing	:	09/02/2026
घोषणा की तारीख / Date of Pronouncement	:	11/02/2026

आदेश / ORDER

Per Avdhesh Kumar Mishra, AM:

This appeal for Assessment Year ('AY') 2014-15 filed by the assessee is directed against the order dated 03.10.2025 of Commissioner of Income Tax (Appeals) ['CIT(A)'], National Faceless Appeal Centre (NFAC), Delhi passed under section 250 of the Income Tax Act, 1961 ('Act').

2. The sole issue challenges the levy of penalty u/s 271(1)(c) of the Act.

3. The relevant facts giving rise to this appeal are that the assessee, a non-filer of the Income Tax Return ('ITR'), has made cash deposits aggregating to Rs.16,67,000/- in his bank account during the relevant year. The Ld. Assessing Officer ('AO') re-opened the case of the assessee under section 148 of the Act and completed the reopened assessment at income of Rs,16,72,250/- by taxing the cash deposits of Rs.16,67,000/- as un-explained investment. Later, the penalty of Rs.3,42,000/- of the Act was levied under section 271(1)(c) of the Act. Aggrieved with the assessment order and penalty order, the assessee filed appeals before the Ld. CIT(A), who dismissed both appeals. The penalty was sustained on the reasoning that the quantum addition had been confirmed by him. Here, we are tasked to decide the impugned order upholding the penalty levied under section 271(1)(c) of the Act.

4. At the outset, Shri Rajat Kumar, CA, Ld. Authorized Representative ('AR') of the assessee drew our attention to the fact that the reopened assessment order was quashed by the Tribunal in assessee's case in ITA No.294/RPR/2024. Hence, the quantum addition on which the penalty levied did not survive; therefore, the penalty had no locus standi after the Tribunal's order in assessee's case in ITA No.294/RPR/2024. A copy of the said order of the Tribunal was placed on the record. He thus, prayed for deletion of the penalty. To which, Dr. Priyanka Patel, Ld. Sr. DR appeared in agreement.

5. We have heard both parties and have perused the material available on the record. We find merit in the submission of the Ld. AR. Since the quantum on which

the penalty levied under section 271(1)(c) of the Act does not survive anymore; therefore, we have no option except to delete the penalty of Rs.3,42,000/-. The assessee gets consequential relief.

6. In the result, this appeal of assessee is **allowed**.

Order pronounced in the open court on 11/02/2026.

Sd/-
(PARTHA SARATHI CHAUDHURY)
न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-
(AVDHESH KUMAR MISHRA)
लेखा सदस्य / ACCOUNTANT MEMBER

रायपुर / Raipur; दिनांक Dated 11/02/2026
HKS, PS

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. The Pr. CIT, Raipur (C.G.)
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण,
रायपुर/ DR, ITAT, Raipur
5. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,
True copy//

(Senior Private Secretary)
आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur