

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

श्री जॉर्ज जॉर्ज के, उपाध्यक्ष एवं श्री इंटूरी रामा राव, लेखा सदस्य के समक्ष
**BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT AND
SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 2588/CHNY/2025

निर्धारण वर्ष/Assessment Year: 2019-20

**M/s. DAR E Imaan Welfare
and Educational Trust,**
No.43/1, G, Kayide Millath Nagar,
Kathiyavadi, Melvisharam,
Vellore – 632 5019.

The Income Tax Officer,
Vs. Exemption, Ward – 1,
Chennai.

PAN: AACTD 2327B

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by

: None

प्रत्यर्थी की ओर से/Respondent by

: Ms. Gouthami Manivasagam,
Addl.CIT

सुनवाई की तारीख/Date of Hearing

: 12.02.2026

घोषणा की तारीख/Date of Pronouncement

: 13.02.2026

आदेश/ ORDER

PER GEORGE GEORGE K, VICE PRESIDENT:

This appeal filed by the assessee is directed against the order of Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dated 06.08.2025 passed under section 250 of the Income Tax Act, 1961 (hereinafter called 'the Act'). The relevant Assessment Year is 2019-20.

2. The solitary issue that is raised is whether the First Appellate Authority (FAA) is justified in confirming the penalty imposed u/s.271AAC(1) of the Act amounting to Rs.13,338/-.

3. Brief facts of the case are as follows: The assessee is a public religious trust registered u/s.12A of the Act. For the assessment year 2019-20, assessment u/s.143(3) of the Act was completed in the case of the assessee trust vide order dated 12.02.2021. In the said assessment order, addition u/s.69C of the Act amounting to Rs.2,23,149/- was made. Penalty u/s.271AAC of the Act amounting to Rs.13,388/- was imposed on said addition made u/s.69C of the Act vide order dated 27.08.2021.

4. Aggrieved by the order of penalty imposed u/s.271AAC(1) of the Act, assessee trust filed appeal before the FAA. The FAA noticed that appeal filed by the assessee as against quantum assessment has been dismissed by the first appellate order dated 11.07.2025. Further the FAA observed that assessee has not contested the penalty on merits. Accordingly, the order imposing penalty u/s.271AAC(1) of the Act amounting to Rs.13,388/- was confirmed.

5. Aggrieved by the FAA order, assessee has filed the present appeal. None was present on behalf of the assessee. However, we

noticed as against the quantum assessment, assessee had filed further appeal and Tribunal in ITA No.2259/CHNY/2025 vide its order dated 28.10.2025 had deleted addition made u/s.69C of the Act.

6. The Ld.DR was duly heard.

7. We heard the Ld.DR and perused the material on record. The penalty u/s.271AAC(1) of the Act was imposed on the basis of quantum addition made u/s.69C of the Act. Since the Tribunal has deleted the addition made u/s.69C of the Act, penalty order which arises from the order of quantum assessment does not survive. Hence, the penalty amounting to Rs.13,388/- u/s.271AAC(1) of the Act is deleted. It is ordered accordingly.

8. In the result, the appeal filed by the assessee is allowed.

Order pronounced in the open court on 13th February, 2026 at Chennai.

Sd/-

(इंटूरी रामा राव)

(INTURI RAMA RAO)

लेखा सदस्य/ACCOUNTANT MEMBER

चेन्नई/Chennai,

दिनांक/Dated, the 13th February, 2026

RSR

Sd/-

(जॉर्ज जॉर्ज के)

(GEORGE GEORGE K)

उपाध्यक्ष /VICE PRESIDENT

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त /CIT, Chennai
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF.