

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

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

आयकर अपीलसं./ITA Nos.3443 & 3444/CHNY/2025  
निर्धारण वर्ष / **Assessment Year: 2015-16**

<b>Sea Shark Lines,</b> New No.94, Old No.131, II Floor, Coral Merchant Street Mannady, Chennai – 600 001.	vs.	<b>The Income Tax Officer,</b> Non-Corporate Ward-12(1), Chennai.
<b>[PAN: ABKFS-5316-C]</b> (अपीलकर्ता/Appellant)		(प्रत्यर्था/Respondent)

अपीलकर्ता की ओर से/ Appellant by : Mr. H. Yeshwanth Kumar, C.A.  
प्रत्यर्था की ओर से /Respondent by : Mr. Krishna Kumar, JCIT

सुनवाई की तारीख/Date of Hearing : 21.01.2026  
घोषणाकी तारीख /Date of Pronouncement : 13.02.2026

**आदेश / ORDER**

**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 2015-16, vide both the orders dated 11.06.2024 and 19.08.2025 respectively against the assessment order passed by the AO, Non Corp Ward-12(1), Chennai, u/s.143(3) r.w.s 263 of the Income Tax Act, 1961 (in short 'the Act') dated 24.09.2021 and the penalty order passed by the AO, NFAC, Delhi, u/s.271(1)(c) of the Act dated 22.02.2022 respectively.

2. At the threshold, we observe that there is a delay of 451 days in the filing of the quantum appeal by the assessee in ITA No.3443/Chny/2025 and 25 days delay in filing the penalty appeal in ITA No.3444/Chny/2025. The assessee furnished an affidavit explaining that the assessee has uploaded the appeal in ITAT Portal on 25.08.2024 and acknowledgement was generated by the portal, further, the assessee had not received further communication about the appeal from Hon'ble Tribunal. The assessee became aware only after receiving of call from Assessing Officer for recovery proceedings and immediately filed the appeal again on 25.11.2025 before the Hon'ble Tribunal. Upon perusal of the affidavit and after affording due opportunity of hearing from both parties, we are satisfied that the assessee has demonstrated sufficient and reasonable cause for not presenting the appeal within the statutory period prescribed under law. Accordingly, in the interest of justice, the delay in filing these appeals are hereby condoned, and the appeals are admitted for adjudication on merits.

3. The brief facts of the case are that the assessee is agent for customs clearing forwarding, shipping and logistics and has filed its return of income on 18.08.2015 for the AY 2015-16 by admitting total income of Rs.6,01,590/-. The case was selected for scrutiny under CASS to examine large other expenses claimed in the P&L Account. On perusal of the P&L Account, the Assessing Officer noticed that the assessee has claimed expenses as Ocean freight of Rs.3,94,71,468/-, Steamer Agent Charges of Rs.4,70,69,800/- and Transport Charges of Rs.2,21,91,500/- and the assessee has not deducted tax at source in respect of the above expenses. The AO issued statutory notices to the assessee and called for details, but the assessee has not offered any explanation with respect to the above expenses to the satisfaction. The AO completed the assessment u/s.143(3) r.w.s 263 of the Act dated 24.09.2021 after making addition of Rs.3,26,19,830/- as treat the 30% of the total expenses as chargeable to tax and disallowed u/s.40(a)(ia) of the Act by arriving total income of Rs.3,34,21,420/-.

4. Further, the AO imposed a penalty of Rs.1,11,12,250/- 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 22.02.2022.

5. 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) has provided five and seven opportunities in both the appeals respectively, to the assessee to appear for hearings as detailed in paragraph 4 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 11.06.2024 and 19.08.2025 respectively 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.

6. The Id.AR submitted that the assessee had not checked the income tax portal and its email ID during the relevant period and hence the assessee was not aware of the notices issued by the Id.CIT(A) and hence he could not submit the explanation and documentary evidence in support of the claim before the Id.CIT(A). 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 proceedings effectively.

7. 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).

8. 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 before the first appellate authority.

9. Therefore, in the present facts and circumstances of the case and to meet the ends of justice, we are deeming it fit to provide one more opportunity to the assessee and hence we set aside the order of the Id.CIT(A) and remit the matter back to the file to Id.CIT(A) to adjudicate the matter afresh in accordance with 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.

10. Since the order in quantum appeal in ITA No.3443/Chny/2025 (supra) has been set aside and remitted back to the Id.CIT(A), the consequential penalty order passed u/s.271(1)(c) of the Act dated 22.02.2022, is likewise hereby set aside and remitted back to Id.CIT(A) to decide the issue along with the quantum assessment.

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

Order pronounced in the open court on 13<sup>th</sup> February, 2026 at Chennai.

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

**Sd/-**  
(एस. आर. रघुनाथा)  
**(S. R. RAGHUNATHA)**  
लेखा सदस्य/Accountant Member

चेन्नई Chennai:

दिनांक Dated : 13<sup>th</sup> February, 2026

**sp**

**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