

**आयकर अपीलीय अधिकरण, इंदौर न्यायपीठ, इंदौर**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**INDORE BENCH, INDORE**  
**BEFORE SHRI B.M. BIYANI, ACCOUNTANT MEMBER**  
**AND**  
**SHRI PARESH M JOSHI, JUDICIAL MEMBER**

ITA No.641/Ind/2025  
(AY: 2016-17)

Ranveer Singh Suryawanshi, Datwada Datwade, Indore, MP <b>(PAN:AWLPS7673N)</b>	<b><u>बनाम/</u></b> Vs.	ITO, Dhar
(Appellant)		(Respondent)
Assessee by	Shri Ajay Tulsian,CA & Ruchira Singhal, CA	
Revenue by	Shri Ashish Porwal, Sr.DR	
Date of Hearing	10.02.2026	
Date of Pronouncement	19.02.2026	

**आदेश / O R D E R**

**Per Paresh M Joshi, J.M.:**

This is an Appeal filed by the Assessee **under section 253 of the income tax Act 1961**, [ herein after referred to as the **Act** for the sake of brevity] before this tribunal as & by way of a second Appeal. The Assessee is aggrieved by the order bearing Number:-ITBA/NFAC/S/250/2025-26/1078632415 (1) dated 18.07.2025 passed by the Ld. CIT (A) u/s 250 of the Act, which is herein after referred to as the "**Impugned order**". The Relevant Assessment year is 2016-17 and the

corresponding previous year period is from 01.04.2015 to 31.03.2016.

2.

**Factual Matrix**

2.1 That as and by way of an penalty order made **u/s 271(1) (c) of the Act**, a penalty of Rs. 29,32,874/- was imposed on the assessee. The aforesaid penalty order bears no: - ITBA/PNL/F/271(1) (C)/2024-25/1067563270(1) and that the same is dated 09.08.2024, which is herein after referred to as the **"impugned penalty order"**

2.2 That the assessee being aggrieved by the aforesaid **"impugned penalty order"** prefers the **first appeal u/s 246 A of the act before the Ld. CIT(A)** who by the **"impugned order"** has **dismissed** the first appeal of the assessee on the grounds and reasons stated therein. The core grounds and reasons for the dismissal of the first appeal was as under:-

*2.1 As per Form No.35, the date of service of Demand Notice is stated to be. 25.01.2025, which is not acceptable. The order was duly served on the appellant electronically means on registered email as per Rule 127 of Income tax Rules, 1962.*

*As per section 249(2) of the Act, the appeal has to be filed within 30 days of the service of the order to the appellant. However, the appeal has been filed on 25.01.2025. In this case, the order was duly served on the appellant on 09.08.2025 on registered email. The appeal is, therefore, filed late by 138 days i.e. 4 months and 16 days. Thus, there is substantial delay in filing of the appeal.*

*2.7 In this case, the appellant has stated the following reason for condonation of delay in Form No. 35, Col. No. 14.*

*There is no delay in filing of appeal as the Appellant was not aware about the order passed under penalty provisions since Appellant is technologically illiterate and resides in remote village of Datwada. When recovery notices were received the Appellant became aware about the penalty order and the appeal is filed immediately.*

*2.8 The appellant in Column No. 15 of Form 35 has stated that he was unaware of the order passed under penalty proceedings since the appellant is technologically illiterate. However, the appellant's unawareness is his own negligence. The reason stated by appellant does not hold any strong*

*ground for the condonation of delay. Hence, the appellant has not discharged the onus of "sufficient cause" within the meaning of section 249 of the I.T. Act. Hence, the delay in filing of appeal after 138 days cannot be accepted.*

*2.9 Hence in view of these facts and on the strength of the judicial decisions referred on the pre-pages the delay in filing the appeal does not merit condonation and the appeal is treated to be filed late with reference to the provisions of section 249(3) of the Act.*

*3. Resultantly, the appeal of the assessee is Dismissed.*

2.3 The assessee being **aggrieved** by the "**impugned order**" has preferred the instant second appeal before this tribunal and has raised the following grounds of appeal in the form no. 36 against the "impugned order" which are as under:-

- 1. On the facts and circumstances of the case and in law the learned CIT (A) erred in upholding levy of penalty under Section 271(1)(c) of the Act amounting to Rs.*

*29,32,874/-by Id AO. The Appellant prays that the said penalty be directed to be deleted.*

*2. The impugned order has been passed in a haste manner, without giving proper opportunity of hearing to the Appellant. The Appellant prays that the order being illegal, unwarranted and in gross violation of principles of natural justice be directed to be quashed and consequent addition deleted.*

*3. The Appellant craves leave to add to, alter and/OR amend all OR any of the foregoing grounds of appeal.*

3.

### **Record of Hearing**

3.1 The hearing in the mater took place before this Tribunal on 10.02.2026 when the Ld. AR for & on behalf of the assessee appeared before us and interalia contended that in the "impugned order" the issue is of penalty under the act whereas the "**quantum assessment order**" bearing no:- ITBA/AST/S/147/2023-24/1061515538(1) dated 26/02/2024 is pending before the Ld. CIT(A) in a **separate first appeal under the act which is not yet decided.**

Therefore it would be just fair and convenient and in the interest of justice that the impugned order be set aside and the matter be remanded back to the file of Ld. CIT(A). It was also prayed that **a direction** be issued to Ld. CIT(A) to consider **“Quantum appeal first”** and thereafter the first appeal **on the penalty issue** be considered after giving full opportunity wherein the outcome of “Quantum first appeal may also be considered”. Per contra the Ld. DR appearing for and on behalf of the revenue stated that revenue has no objection to the contention made by Ld. AR and has left the issue to be decided by this tribunal **basis it’s wisdom**.

4. **Observations Findings & conclusions**

4.1 We now have to decide the legality validity & propriety of the **“Impugned order”** basis records of the case & the rival submissions canvassed before us.

4.2 We have carefully perused the records of the case & have heard the submissions.

4.3 We basis records of the case & after hearing & upon examining the rival contentions of the Ld. AR as Ld. DR

canvassed before us are of the considered view that the **“impugned penalty order”** is under section 271(1)( C) of the act. In so far as Quantum assessment order of Ld. AO is concerned the same is pending hearing and final disposal before the Ld. CIT (A) in a separate appeal as stated by Ld. AR. Under these peculiar facts and circumstances of the case we are of the considered opinion that the “impugned order” which deals with penalty should be set aside and matter should be remanded back to the file of Ld. CIT (A) who should take up the instant first appeal on penalty issue u/s 271(1) (c) of the act **after decision of Ld. CIT (A) on Quantum issue is decided in first appeal.**

4.4 In the premises drawn up by us, we set aside the “impugned order” and remand the case back to the file of Ld. CIT (A) who shall now pass a speaking and well-reasoned order **after the first appeal on Quantum assessment is disposed off.**

5.1 In the result "**Impugned order**" is set aside as and by way of remand back to the file of the Ld. CIT (A) with direction as contained in Para 4.3 & 4.4 (supra) .

5.2. The Appeal of the assessee is allowed for statistical purpose.

**Pronounced in open court on 19.02.2026.**

Sd/-

**(BHAGIRATH MAL BIYANI)**  
**ACCOUNTANT MEMBER**

Sd/-

**(PARESH M JOSHI)**  
**JUDICIAL MEMBER**

**Indore**

Dated : 19/01/2026

Patel/Sr. PS

Copies to: (1) The appellant  
(2) The respondent  
(3) CIT  
(4) CIT(A)  
(5) Departmental Representative  
(6) Guard File

By order

Senior Private Secretary  
Income Tax Appellate Tribunal  
Indore Bench, Indore