

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH: CHENNAI

श्री एबी टी. वर्की, न्यायिक सदस्य एवं सुश्री पदमावती यस, लेखक सदस्य के समक्ष
BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND
MS. PADMAVATHY.S, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.3669/Chny/2025
निर्धारण वर्ष /Assessment Year: 2017-18

Umadevi Sivaji,
(formerly known as Krishnan Vs. Umadevi)
4/19, Dharmapuri Main Road,
Karimangalam Post & Taluk,
Dharmapuri – 635 111.
PAN: ADJPU 8781A

The Income Tax Officer,
Ward-1,
Dharmapuri.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: Mr. S.Velpandiar, Advocate
: Dr. M.D.Vijay Kumar, JCIT

सुनवाई की तारीख/Date of Hearing

: 18.02.2026

घोषणा की तारीख /Date of Pronouncement

: 27.02.2026

आदेश / ORDER

PER PADMAVATHY.S, A.M:

This appeal by the assessee is against the order of the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre (NFAC), Delhi, (in short "CIT(A)") passed u/s. 250 of the Income Tax Act, 1961 (in short "the Act") dated 21.12.2021 for Assessment Year (AY) 2017-18.

2. The assessee is an individual and is engaged in the whole sale business of cattle feed. The assessee filed the return of income for AY 2017-18

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declaring total income of Rs.3,44,440/-. The case was selected for scrutiny and the statutory notices were duly served on the assessee. During the course of assessment, the Assessing Officer (AO) noticed that the assessee has deposited cash during the course of demonetisation period to the tune of Rs.44,85,400/-. The AO issued show cause notices to the assessee in this regard. Since the assessee did not respond, the AO treated the entire amount as unexplained income under section 69A of the act. Aggrieved, the assessee filed further appeal before the CIT(A). The assessee did not respond nor submitted any details before the CIT(A). Therefore the CIT(A) dismissed the appeal ex-parte. The assessee is in appeal before the tribunal against the order of the CIT(A).

3. There is a delay of 1285 days in filing the appeal before the tribunal and the assessee filed a petition for condonation of delay along with an affidavit. The relevant submissions from the affidavit are extracted below –

“1. I am the appellant herein and am fully acquainted with the facts of the case. Therefore, I am competent to swear this affidavit.

2. I state and submit that I hold PAN ADJPU8781A and earn a modest income from my small cattle feed business. I am not well-versed in technical matters relating to Income Tax, electronic compliances, e-filing, or e-proceedings. Due to my limited education and lack of awareness, I was not in a position to properly understand or monitor online notices, penalty proceedings, or appellate processes.

3. I further state that I was depending entirely on my earlier auditor, Mr. P.K. Kamalesh, for all income-tax-related work, including filing of returns and handling of departmental notices. I was under the bona fide belief that he would inform me of any notices, hearings, or pending actions. However, he did not inform me about the scrutiny proceedings for A.Y. 2017-18, including hearing dates on 31.08.2018, 14.09.2018, 04.12.2019, and 19.12.2019, nor about the ex parte assessment order passed u/s. 144 on 22.12.2019. He also failed to inform me about the appellate proceedings, including the CIT(A) hearing notices dated 22.01.2021, 14.10.2021 & 09.12.2021, as well as the ex parte appellate order passed dated 21.12.2021. I was kept completely unaware of all these developments.

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4. Only after the outstanding demand communication was received on 09.10.2025, I received a telephone call from the AO office during the first week of November 2025, informing me about the pending tax demand. It was only upon receiving this call that I came to know, for the first time, that the assessment for A.Y. 2017-18 had been completed ex parte, that the CIT(A) had already passed an order dismissing my appeal on 21.12.2021, and that four penalty orders u/ss.272A(1)(d), 271A, 271AAC(1), and 270A dated 04.08.2021, 16.03.2022, 16.03.2022, and 18.03.2022 respectively had also been passed. Until then, I had no knowledge whatsoever of the assessment order, appellate order, or the penalty orders.

5. After the call, I approached a new auditor, Mr. T. Palanisami, who checked my income-tax portal and informed me that multiple notices, show-cause communications, and penalty orders were passed.

6. I submit that I reside in a rural area, with limited exposure to electronic compliance mechanisms of the Income-tax Department. Due to a lack of computer knowledge, I am dependent on my auditor for all income-tax matters. I was under the bona fide belief that the auditor was handling all tax-related matters appropriately.

7. The delay is neither intentional nor willful. The delay occurred solely due to a Lack of knowledge of e-filing, e-assessment, and online notices. Failure of the previous auditor to inform about scrutiny, assessment, CIT(A) order, or penalty orders. I became aware of the pending matters only when the AO contacted me regarding the demand.

8. Once I became aware of the situation, I immediately consulted advocate Mr. G. Baskar suggested by CA Palaniswami and decided to file an appeal against the order of the CIT(A) dated 21.12.2021. The said order is now being appealed before the Hon'ble Tribunal.

9. I respectfully submit that the delay is genuine, reasonable, and caused by circumstances beyond my control. If the delay is not condoned, I will suffer serious hardship, and a meritorious case will be shut out at the threshold. No prejudice will be caused to the Revenue by condoning the delay.

10. In view of the above, it is prayed that the Hon'ble Tribunal may be pleased to:

a) To condone the delay in filing the appeal;

b) Admit, hear, and dispose of the appeal in accordance with law; and

c) Pass such further or other order or orders that the Hon'ble Tribunal may deem fit and proper in the circumstances of the case and thus render justice.”

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4. We heard the parties and perused the material on record. The Hon'ble Supreme Court, in the case of *Mst. Katiji (supra)*, has explained the principles that need to be kept in mind while considering an application for condonation of delay. The Hon'ble Apex Court has emphasized that substantial justice should prevail over technical considerations. The Court has also explained that a litigant does not stand to benefit by lodging the appeal late. The Court has also explained that every day's delay must be explained does not mean that a pedantic approach should be taken. The doctrine must be applied in a rational common sense and pragmatic manner. In the case of *Shakuntala Hegde, L/R of R.K. Hegde v. ACIT, ITA No.2785/Bang/2004 for the A.Y. 1993-94*, the Tribunal condoned the delay of about 1331 days in filing the appeal wherein the plea of delay in filing appeal due to advice given by a new counsel was accepted as sufficient. The Hon'ble Karnataka High Court in the case of *CIT v. ISRO Satellite Centre, ITA No. 532/2008 dated 28.10.2011* has condoned the delay of five years in filing appeal before them which was explained due to delay in getting legal advice from its legal advisors and getting approval from Department of Science and PMO. In the aforesaid decision, the Hon'ble Court found that the very liability of the assessee was non-existent and therefore condoned the delay in filing appeal. It is mentioned that in condoning the delay in filing the appeals, the expression 'sufficient cause' should receive liberal construction and advancement of substantial justice is of prime importance and that discretion of condoning the delay has to be exercised on the facts of each case.

5. Keeping in mind the aforesaid principles, we find that the explanation of the assessee for delay in filing the appeals are bonafide and genuine reasons which constitute 'sufficient cause' for the delay. The number of days of delay cannot be looked in isolation and the reasons or explanation of the

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assessee for the delay have to be considered in the light of the test of bonafide reasons constituting sufficient cause for the delay in a pragmatic manner. We therefore condone the delay in filing the appeal before us and admit the appeal for adjudication. Considering that the assessee did not appear before the lower authorities were inclined to give one more opportunity to the assessee to represent the case properly. Accordingly, we remit the appeal back to the AO for a *denovo* consideration with the direction to call for necessary details as may be required to decide in accordance with law. The assessee is directed to file the relevant documents as may be called for by the AO and cooperate with assessment proceedings without seeking unnecessary adjournments. It is ordered accordingly.

6. Further, we also levy a cost of Rs.25,000/- (Twenty Five thousand only) in the appeal since considerable time and efforts have been spent by the Exchequer and for the reason that the assessee being delinquent before the lower authorities. The same shall be paid by the assessee to Tamil Nadu State Legal Services Authority at Hon'ble High Court of Madras within a period of one month from the date of receipt of this order and produce the receipt before the AO.

7. In result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced on 27th day of February, 2026 at Chennai.

Sd/-
(एबी टी. वर्की)
(ABY. T. Varkey)

न्यायिक सदस्य / Judicial Member

Sd/-
(पदमावती यस)
(Padmavathy.S)

लेखा सदस्य / Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 27th February, 2026.

EDN, Sr. P.S

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आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

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