

**IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, BANGALORE**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER AND
SHRI KESHAV DUBEY, JUDICIAL MEMBER**

ITA No. 2462 & 2463/Bang/2025
Assessment Year: 2013-14 & 2016-17

Shri Parameshappa Shiddlingappa Kittad, Village: Hullathi, P.T Hullathi Hirekerur Taluk, Haveri District – 581 111. PAN – BSJPK 9832 J	Vs.	The Income Tax Officer, Ward 1, Haveri.
APPELLANT		RESPONDENT

Assessee by	:	Shri Rajiv Nulvi, Advocate
Revenue by	:	Shri Subramanian, JCIT(DR)

Date of hearing	:	23.02.2026
Date of Pronouncement	:	06.03.2026

ORDER

PER WASEEM AHMED, ACCOUNTANT MEMBER:

These 2 appeals, filed by the assessee against the separate order of the learned Commissioner of Income Tax (Appeal) (hereafter- learned CIT(A)) under the provision of section 250 of the Income Tax Act, 1961 (hereafter- the Act), were heard together.

**First, we take up ITA 2462/Bang/2025, an appeal filed by
the assessee pertaining to AY 2013-14**

2. The assessee in the grounds of appeal has raised as many as seven grounds which, for the sake of brevity and convenience, we are not inclined to reproduce here.

3. The grounds of appeal raised by the assessee are interconnected and pertain to the addition made by the Assessing Officer under section 69A of the Act.

4. The relevant facts of the case are that the assessee is an agriculturist who did not file a return of income for the captioned assessment year. As per the information received by the department, the assessee had deposited cash amounting to ₹1,26,14,883 in his bank account. Based on this information, the Assessing Officer issued a notice under section 148 of the Act. However, in response to the said notice, the assessee did not file any return of income.

4.1 During the course of the assessment proceedings, the assessee failed to respond to the notices and show-cause notices issued by the Assessing Officer. Consequently, the Assessing Officer treated the said cash deposits as unexplained and made an addition under section 69 of the Act as deemed income. The assessment was thus completed ex-parte under section 147 read with section 144 of the Act.

5. Aggrieved, the assessee preferred an appeal before the learned CIT(A).

6. Before the learned CIT(A), the assessee submitted that he is an agriculturist and was under the impression that there was no necessity

for him to file an income-tax return. The assessee further submitted that he had no knowledge of having received any notice from the Income-tax Department, as he is an illiterate person and does not have any knowledge regarding the internet or the income-tax portal.

6.1 On the contrary, the learned CIT(A) dismissed the appeal of the assessee on the grounds that there was a delay of 558 days in filing the appeal for the captioned assessment year. The learned CIT(A) observed that the assessee had failed to prove beyond doubt that he had acted diligently and was not guilty of negligence. It was further noted that the assessee did not produce any documentary evidence to substantiate his claim for the delay in filing the appeal. Accordingly, the appeal was dismissed in limine.

7. Being aggrieved by the order of Id. CIT-A, the assessee has preferred an appeal before us.

8. The learned AR before us more or less reiterated the same submissions as were made before the lower authorities and requested that the ex parte order be set aside, as the assessee was deprived of an opportunity of being heard.

9. The learned DR, on the other hand, strongly supported the orders of the lower authorities. It was submitted that the assessee had consistently failed to comply with the statutory notices issued during the course of the assessment proceedings. The learned DR further submitted that even before the learned CIT(A), the assessee failed to furnish any cogent material or documentary evidence to justify the inordinate delay

of 558 days in filing the appeal, and therefore the learned CIT(A) was justified in dismissing the appeal in limine.

9.1 The learned DR further pointed out that the present appeal before the Tribunal has also been filed with delay. According to the learned DR, the conduct of the assessee shows a continued pattern of negligence and lack of diligence in pursuing the appellate remedies available under the Act. It was therefore submitted that the assessee has failed to demonstrate sufficient cause for such repeated delays and non-compliance. In view of these circumstances, the learned DR submitted that the appeal of the assessee does not deserve to be admitted and the order of the learned CIT(A) may be upheld.

10. We have heard the rival submissions of both the parties and perused the materials available on record. At the outset, we note that the present appeal filed by the assessee before us (the Tribunal) is also delayed by 59 days. The assessee has sought to explain the delay by contending that he is an agriculturist, illiterate, and was not aware of the legal procedures relating to filing of appeal and responding to the notices issued by the department. However, we are unable to accept such explanation in the facts and circumstances of the present case. It is a settled proposition of law that ignorance of law cannot be accepted as a valid excuse. The conduct of the assessee throughout the proceedings shows a consistent pattern of negligence. The assessee did not respond to the statutory notices issued during the reassessment proceedings, did not file the return in response to notice issued under section 148 of the Act, and even before the learned CIT(A) the appeal was filed with an inordinate delay of 558 days without any supporting evidence to

substantiate the reasons for such delay. Even before us, the appeal has again been filed belatedly.

10.1 Nevertheless, considering the facts that the assessment has been completed ex parte under section 144 read with section 148 of the Act and the addition has been made without examining the explanation of the assessee, we are of the view that one more opportunity may be granted to the assessee in the interest of substantial justice so that the issue can be examined on merits. At the same time, the conduct of the assessee in repeatedly ignoring the statutory proceedings and approaching the appellate forums with delayed filings cannot be condoned without consequence. Accordingly, while condoning the delay in filing the present appeal, we deem it appropriate to impose a cost of ₹2,500 on the assessee for his negligent conduct. The assessee is directed to deposit the said amount in the Prime Minister's Relief Fund within a period of four weeks and furnish proof of such deposit before the Assessing Officer.

10.2 Subject to the above direction, the impugned order of the learned CIT(A) is set aside, and the entire issue is restored to the file of the Assessing Officer for fresh adjudication. The Assessing Officer shall examine the matter afresh after providing adequate opportunity of being heard to the assessee and after considering the evidence that may be furnished in support of his claim. The assessee is also directed to cooperate with the proceedings and furnish the necessary details as may be called for by the Assessing Officer. Failure to do so may result confirmation of the earlier assessment order passed by the Assessing

Officer in accordance with law. Accordingly, the grounds of appeal of the assessee are treated as allowed for statistical purposes.

11. In the result, the appeal of the assessee is treated as allowed for statistical purposes.

Coming to ITA 2463/Bang/2025 pertaining to AY 2016-17

12. At the outset, we note that the issues raised by the assessee in its grounds of appeal for the AY 2016-17 are identical to the ITA 2462/Bang/2025. Therefore, the findings given in ITA No. 2462/Bang/2025 for the AY 2013-14 shall also be applicable for the assessment year 2016-17. The appeal of the assessee for the A.Y. 2013-14 has been decided by us vide paragraph No. 10 of this order favouring the assessee for statistical purposes and against the Revenue. The learned AR and the DR also agreed that whatever will be the findings for the assessment year 2013-14 shall also be applied for the assessment year 2016-17. Hence, the ground of appeal filed by the assessee is hereby allowed.

12.1 However, considering the conduct of the assessee and for the reasons recorded while deciding the appeal for AY 2013-14, a cost of ₹2,500 is also imposed for the present assessment year. The assessee is directed to deposit the said amount in the Prime Minister's Relief Fund and furnish proof of such payment before the Assessing Officer. Accordingly, the grounds of appeal of the assessee are treated as allowed for statistical purposes.

13. In the result, the appeal of the assessee is treated as allowed for statistical purposes.

14. In the combined result, both the appeals of the assessee are treated as allowed for statistical purposes.

Order pronounced in court on 6th day of March, 2026

Sd/-

(KESHAV DUBEY)

Judicial Member

Bangalore

Dated, 6th March, 2026

/ vms /

Sd/-

(WASEEM AHMED)

Accountant Member

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The CIT(A)
5. The DR, ITAT, Bangalore.
6. Guard file

By order

Asst. Registrar, ITAT, Bangalore