

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "F" DELHI**

**BEFORE SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER
&
SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER**

I.T.A. No.1487/DEL/2014
Assessment Year 2004-05

M/s. Plaza Cable Industries Ltd., K-444, Village Burari, Delhi.	v.	Dy. Commissioner of Income Tax, Circle-14(1), New Delhi.
TAN/PAN: AAACP3946K (Appellant)		(Respondent)

Appellant by:	Shri Rajeev Saxena, Adv. Ms. Sumangla Saxena, Adv.		
Respondent by:	Ms. Kajal Singh, Sr.D.R.		
Date of hearing:	21	04	2022
Date of pronouncement:	09	05	2022

ORDER

PER PRADIP KUMAR KEDIA, A.M.:

The captioned appeal has been filed by the assessee against the order of the ld. CIT(A)-XVII, Delhi dated 26.12.2013 arising from the order passed by the Assessing Officer u/s. 271(1)(b) of the Income Tax Act dated 04.11.2011 concerning Assessment Year 2004-05.

2. As per the grounds of appeal, the assessee has challenged the imposition of penalty of Rs.10,000/- imposed by the Assessing Officer u/s. 271(1)(b) of the Act.

3. When the matter was called for hearing, the ld. counsel for the assessee pointed out that various notices listed in the penalty order under Section 271(1)(b) was not received by the assessee at

all. The non compliance has caused due to lack of knowledge of the assessee on the issuance of notice. It was further pointed out that the assessee has filed the return of loss at Rs.(-)7,04,14,520/- which was reduced by Rs.19,37,322/- in the best judgment assessment owing to non attendance by the assessee. The loss was ultimately assessed at Rs.6,84,77,198/-. In this background, no *mala fide* can be inferred on the part of the assessee where the assessee is nursing such huge losses at its disposal.

4. In the light of the factual aspects pointed out on behalf of the assessee, we find that mitigating circumstances exists to exonerate the assessee from the clutches of penalty under Section 271(1)(b) of the Act.

5. In the result, the appeal of the assessee is allowed.

Order pronounced in the open Court on 09 May, 2022.

Sd/-
[NARENDER KUMAR CHOUDHRY]
JUDICIAL MEMBER

DATED: **09 May, 2021**

Prabhat

Sd/-
[PRADIP KUMAR KEDIA]
ACCOUNTANT MEMBER