

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'H', NEW DELHI**

Before Sh. C. M. Garg, Judicial Member

Dr. B. R. R. Kumar, Accountant Member

ITA No. 642/Del/2021 : Asstt. Year : 2011-12

Satywan, Prop. Raj Khad Bhandar Near Bus Stand Mandi Madlauda, Panipat, Haryana-132113 (APPELLANT)	Vs	Income Tax Officer, Ward-4, Panipat, Haryana-132103 (RESPONDENT)
PAN No. EUHPS7375M		

**Assessee by : Sh. Somil Agarwal, Adv. &
Sh. Shrey Jain, Adv.**

Revenue by : Sh. Amit Katoch, Sr. DR

Date of Hearing: 17.08.2023

Date of Pronouncement: 31.08.2023

ORDER

Per Dr. B. R. R. Kumar, Accountant Member:

The present appeal has been filed by the assessee against the order of National Faceless Appeal Centre (NFAC), Delhi dated 06.03.2021.

2. Following grounds have been raised by the assessee:

"1. That the order of Id. CIT(A) in upholding the penalty order u/s 271(1)(b) of the Assessing Officer is against the principals of natural justice, illegal, void & uncalled for."

3. Heard the arguments of both the parties and perused the material available on record.

4. The AO levied penalty u/s 271(1)(b) of the Income Tax Act, 1961 for non-compliance of notice u/s 142(1) of the Act dated 22.11.2018. The assessment in this case has been

completed u/s 147 r.w.s. 144 of the Income Tax Act, 1961. It was submitted that the notices have been received by the parents of the assessee and the same have not been given to the assessee as the parents are illiterate.

5. Section 273B of the Act provides that penalty u/s 271(1)(b) need not be imposed, if it is proved that there was a reasonable cause for the said failure of the assessee to comply with the provisions of Section 271(1)(b). In this case, we find that non-appearance of the assessee before the AO was caused by non-receipt of the notice. This in our considered opinion can be construed as reasonable cause u/s 273B for non-compliance by the assessee. Hence, the penalty levied is hereby deleted.

6. In the result, the appeal of the assessee is allowed.
Order Pronounced in the Open Court on 31/08/2023.

Sd/-

(C. M. Garg)
Judicial Member
Dated: 31/08/2023

Subodh Kumar, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

(Dr. B. R. R. Kumar)
Accountant Member

ASSISTANT REGISTRAR