

आयकर अपीलीय अधिकरण “सी” न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
“C” BENCH, CHENNAI

माननीय श्री एबी टी. वर्की, न्यायिक सदस्य एवं
माननीय श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष।
BEFORE HON’BLE SHRI ABY T. VARKEY, JM AND
HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM

आयकर अपील सं./ ITA No.456/Chny/2023
(निर्धारण वर्ष / Assessment Year: 2017-18)

Smt. E. Chandrakala 5/202, Near Police Station, Ambai Road East, Munneerpallam, Tirunelveli-627 356.	बनाम/ Vs.	ITO Ward-1 Tirunelveli.
स्थायी लेखासं./जीआइआरसं./PAN/GIR No. AFWPC-0238-H		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकी ओरसे/ Appellant by	:	None
प्रत्यर्थीकी ओरसे/ Respondent by	:	Ms. R. Anita (Addl.CIT) -Ld. Sr. DR

सुनवाईकी तारीख/Date of Hearing	:	25-09-2024
घोषणाकी तारीख /Date of Pronouncement	:	09-10-2024

आदेश / ORDER

Manoj Kumar Aggarwal (Accountant Member)

1. Aggrieved by confirmation of penalty u/s 271F for Rs.5,000/- for Assessment Year (AY) 2017-18, the assessee is in further appeal before us. Upon perusal of penalty order dated 14-01-2022 as passed by Ld. AO, it could be seen that the assessee did not file return of income by due dates either u/s 139(1) or u/s 139(4). An assessment was framed u/s 144 determining income of Rs.10 Lacs. The Ld. AO initiated penalty proceedings for non-filing of return of income and show-caused the assessee. The assessee submitted that it was in further appeal against

the said assessment order. However, rejecting the same Ld. AO levied penalty of Rs.5000/-.

2. During appellate proceedings, the assessee submitted that she was NRI and employed in USA since January, 2016. She had no taxable income In India and therefore, did not file the return of income. The addition of Rs.10 Lacs represents cash deposited in her bank account out of past salary savings by her parents. Further, the quantum addition was in further challenge. However, Ld. CIT(A) confirmed the same. Aggrieved, the assessee is in further appeal before us.

3. At the time of hearing, none appeared for the assessee. The Ld. Sr. DR pleaded for dismissal of the appeal. However, from the facts, it emerges that the assessee is a salary earner and employed outside India since January, 2016. For the aforesaid reasons, the cash deposits in her bank accounts for Rs.10 Lacs has been added in her hands on *best judgment* basis since the assessee could not attend assessment proceedings. The same is in further challenge before Ld. CIT(A). When the only source of income is salary earned from outside India, the assessee would be under bona-fide belief that her income was below taxable limit and there was no requirement for her to file the return of income. Therefore, in our considered opinion, this is not a fit case for levy of penalty. We delete the same.

4. The appeal stand allowed.

Order pronounced on 9th October, 2024

Sd/-
(ABY T. VARKEY)
न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-
(MANOJ KUMAR AGGARWAL)
लेखा सदस्य / ACCOUNTANT MEMBER

चेन्नई Chennai; दिनांक Dated :09-10-2024
DS

आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT Madurai.
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF