

IN THE INCOME TAX APPELLATE TRIBUNAL

DELHI BENCH "G", NEW DELHI

BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER,
AND
SHRI YOGESH KUMAR US, JUDICIAL MEMBER

	ITA NO. 3295/Del/2024	
	A.YR. : 2015-16	
Shri Satinder Pal, House No. 1728, Block-K, Jahangir Puri, Delhi – 110 033 (PAN: CATPP4704P)	VS.	ITO, Ward 34(5), New Delhi Civic Centre, New Delhi-2
(APPELLANT)		(RESPONDENT)

Appellant by : Sh. Sudarsun Roy, Adv.
Respondent by : Ms. Shashi Kajle, Sr. DR

Date of hearing : 30.10.2024
Date of pronouncement : 05.11.2024

ORDER

PER SHAMIM YAHYA, AM :

The Assessee has filed the instant Appeal against the Order of the Ld. CIT(A)/National Faceless Appeal Centre (NFAC), Delhi dated 15.5.2024, relating to assessment year 2015-16. The solitary issue raised by the assessee in the appeal is relating to sustaining the penalty of Rs. 20,000/- u/s. 271(1)(b) of the Act.

2. The brief facts of the case are that during the assessment proceedings, the assessee did not make compliance with the statutory notices issued u/s. 142(1)

of the Act on 16.11.2022 and 23.12.2022. Accordingly, the AO initiated penalty proceedings u/s. 274 r.w.s. 271(1)(b) of the Act and issued the show cause notices asking for assessee's explanation. The assessee did not file any response to the notices. Resultantly, the AO imposed the penalty of Rs. 20,000/- u/s. 271(1)(b) of the Act for non-compliance with the notices u/s. 142(1) of the Act. Against the above order, assessee appealed before the Ld. CIT(A), who dismissed the appeal of the assessee.

3. Aggrieved with the aforesaid order of the Ld. CIT(A) assessee is in appeal before us.

4. We have heard both the parties and perused the records. Ld. Counsel for the assessee pleaded that the notices issued by the AO went to the Spam Folder of the assessee and assessee only came to know about the notices when copy of physical notice was given to him. In these circumstances, he submitted that there is a reasonable cause for non-responding to the notices, and therefore, assessee need not be penalized.

5. Per contra, Ld. DR relied upon the orders of the authorities below.

6. Upon careful consideration, we find that there is a reasonable cause for the assessee for non-responding the notices, as they went to the spam folder of the assessee, hence, the assessee could know about the notice when physical copy of the notice was received. Therefore, in the interest of justice, the orders

of the authorities below are set aside and the penalty in dispute sustained by the
ld. CIT(A) is hereby deleted.

7. In the result, the Appeal filed by the Assessee stands allowed.

Order pronounced on 05/11/2024.

Sd/-
(YOGESH KUMAR US)
JUDICIAL MEMBER

Sd/-
(SHAMIM YAHYA)
ACCOUNTANT MEMBER

SRB

Copy forwarded to:-

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR, ITAT

Assistant Registrar