



ITA No.1133/Del/2024

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI "E" BENCH: NEW DELHI**

**BEFORE SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER &  
SHRI VIMAL KUMAR, JUDICIAL MEMBER**

**ITA No.1133/Del/2024  
[Assessment Year : 2014-15]**

Sara Investments, E-30, Anand Niketan, New Delhi-110021. <b>PAN-ABJFS2721C</b>	vs	ACIT, Circle-28(1), Delhi.
<b>APPELLANT</b>		<b>RESPONDENT</b>
<b>Appellant by</b>	None	
<b>Respondent by</b>	Shri Amit Shukla, Sr.DR	
<b>Date of Hearing</b>	24.10.2024	
<b>Date of Pronouncement</b>	12.11.2024	

**ORDER**

**PER PRADIP KUMAR KEDIA, AM :**

The captioned appeal has been filed at the instance of the assessee against the order of the Ld. Commissioner of Income Tax (A), National Faceless Appeal Centre, Delhi ["Ld.CIT(A)"] dated 16.01.2024 passed u/s 250 of the Income Tax Act, 1961 ["the Act"] arising in the penalty order dated 31.03.2019 passed by the Assessing Officer ("AO") u/s 271(1)(c) of the Act concerning assessment year 2014-15.

2. The grounds of appeal raised by the assessee read as under:-

1. *"That the Hon'ble CIT(A) has erred in law and on facts in not disposing off the additional ground of appeal raised by the Appellant challenging the validity and legality of the notice dated 27.12.2016 issued u/s 274 r.w.s. 271(1)(c) of the Act, inter alia because –*



- 1.1. *The notice initiating the penalty proceedings did not mention the specific charge against the Appellant as to whether the Ld. AO considered it a case of concealment of income or furnishing inaccurate particulars of income.*
- 1.2. *The Hon'ble CIT(A) ought to have quashed the notice dated 27.12.2016 at the very threshold by following the judgment of the Hon'ble Jurisdictional Delhi High Court in the case of Sahara India Life Insurance Company Limited.*
2. *That the Hon'ble CIT(A) has erred on facts and in law in confirming the penalty of Rs. 81,59,580 as levied u/s 271(1)(c) of the Act without appreciating that the addition on which penalty has been upheld has been-disposed off by the Hon'ble Income Tax Appellate Tribunal, and the issue has been remanded back to the file of the Assessing Officer for fresh consideration.”*
3. At the time of hearing, no one attended the proceedings on behalf of the assessee. Under these facts, the appeal of the assessee is taken up for hearing in the absence of the assessee and is being decided on the basis of material available on record.
4. When the matter was called for hearing, it transpired that the quantum additions/disallowance giving rise to the imposition of penalty in appeal has been set aside by the Co-ordinate Bench of the Tribunal in ITA No.6999/Del/2017 for the Assessment Year 2014-15, order dated 30.06.2022 in the quantum proceedings to the file of the AO.
5. In view of the fact that the quantum additions/disallowances itself have been set aside having regard to the appellate order of the ITAT in quantum



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proceedings, the very basis for imposition of penalty u/s 271(1)(c) of the Act does not survive at present. Therefore, the action of the Ld.CIT(A) towards sustaining penalty is set aside and restored back to the file of the AO for fresh adjudication in the light of quantum assessment.

6. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open Court on 12<sup>th</sup> November, 2024.

**Sd/-**

**(VIMAL KUMAR)  
JUDICIAL MEMBER**

**Sd/-**

**(PRADIP KUMAR KEDIA)  
ACCOUNTANT MEMBER**

*\* Amit Kumar \**

Copy forwarded to:

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

ASSISTANT REGISTRAR  
ITAT, NEW DELHI