

आयकर अपीलीय अधिकरण न्यायपीठ रायपुर में।
IN THE INCOME TAX APPELLATE TRIBUNAL,
RAIPUR BENCH, RAIPUR

BEFORE SHRI RAVISH SOOD, JUDICIAL MEMBER
AND
SHRI ARUN KHODPIA, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA Nos. 6, 8 & 9/RPR/2025
निर्धारण वर्ष / Assessment Years : 2012-13, 2018-19 & 2019-20

East West Finvest India Ltd.
852, Sudama Nagar,
In front of Jain Mandir,
Indore-452 009
PAN : AADEC1236G

.....अपीलार्थी / Appellant

बनाम / V/s.

The Assistant Commissioner of Income Tax,
Central Circle, Bilaspur (C.G.)

.....प्रत्यर्थी / Respondent

Assessee by : None
Revenue by : Smt. Tarannum Verma, Sr. DR

सुनवाई की तारीख / Date of Hearing : 28.01.2025
घोषणा की तारीख / Date of Pronouncement : 29.01.2025

आदेश / ORDER**PER BENCH:**

The captioned appeals filed by the assessee company are directed against the respective orders passed by the Commissioner of Income-Tax (Appeals), Raipur-3, dated 04.09.2024, which in turn arises from the respective orders passed by the A.O under Sec.271(1)(b) AND u/s. 272A(1)(d) of the Income-tax Act, 1961 (in short 'the Act') dated 31.03.2022 and 23.03.2022 for the assessment years 2012-13, 2018-19 and 2019-20, respectively. As the facts and issues involved in the captioned appeals are common, therefore, the same are being taken up and disposed off by way of a consolidated order.

2. We shall first take up the appeal filed by the assessee company in ITA No.06/RPR/2025, for A.Y.2012-13, wherein, the assessee company has assailed the impugned order on the following grounds of appeal before us:

“1. That on the facts and in the circumstances of the case, Ld. CIT(A) has erred in confirming the penalty levied by the Ld. AO amounting to Rs.10,000/- u/s. 271(1)(b) of Income Tax Act, 1961.

2. That on the facts and in the circumstances of the case Ld. AO has erred in passing and Ld. CIT(A)-3, Bhopal has erred in confirming the impugned order without affording any opportunity of being heard against the principles of natural justice.”

3. Succinctly stated, as the assessee company in the course of assessment proceedings had neither participated nor responded to the notice(s) issued u/s.142(1) of the Act, therefore, the A.O in the body of the assessment order initiated penalty proceedings u/s. 271(1)(b) of the Act.

4. Thereafter, the A.O after culmination of the assessment called upon the assessee company to put forth an explanation as to why it may not be saddled with penalty u/s.271(1)(b) of the Act. As the assessee company had failed to come forth with any explanation, therefore, the A.O was constrained to proceed with and impose penalty of Rs.10,000/- vide his order passed u/s.271(1)(b) of the Act, dated 31.03.2022. For the sake of clarity, the observations of the A.O are culled out as under:

“During the course of assessment proceedings in the case of the assessee for the assessment year 2012-13, notices u/s.142(1) along with questionnaire were issued to the assessee. In response to the above notices, the assessee has neither attended and nor filed any adjournment in this office However, notices were issued on various dates to which no any compliance was made by the assessee, whereas it is primary obligation upon assessee to comply with the statutory notices which are as under —

142(1) ITBA/AST/F/142(1)/2019-20/1019337245(1) dated 23/10/2019

Accordingly, penalty proceedings u/s.271(1)(b) was initiated on 17.11.2019

The Income tax Act, 1961 provides penal action u/s 271(1)(b) for failure on the part of the assessee, without reasonable cause to comply with the notice u/s.142(1) of I.T. Act, 1961. In the instance case the assessee has failed without any reasonable cause to comply with the notice u/s.142(1) issued. The assessee has also not shown any

reasonable cause as to why penalty u/s.271(1)(b) be not levied, therefore, I am of the opinion that the assessee has committed a default of non-compliance of notice u/s.142(1) of I.T. Act and failed to offer any explanation for the default committed. Thus, provision of Section 271(1)(b) of I.T. Act, 1961 is attracted in this case. Therefore, penalty for failure of comply with above three notices of Rs.10,000/- (Rs.10,000 per default) is levied u/s. 271(1)(b) of I.T. Act, 1961.”

5. Aggrieved the assessee company carried the matter in appeal before the CIT(Appeals), but without success. For the sake of clarity, the observations of the CIT(Appeals) are culled out as under:

“Decision on merits:-

5. Ground No.1 & 2: :- Through these grounds of appeal, the appellant has challenged “that on the facts and circumstances of the case, initiation of penalty proceedings against the assessee under section 274 read with section 271(1)(b) and imposition of penalty of Rs.10,000/- upon the assessee under Section 271(1)(b) is illegal and unjustified and, therefore, penalty imposed should be deleted & that under the facts and circumstances of the case the penalty u/s.271(1)(b) levied on the assessee is unreasonable, illogical and against the interest of natural justice.”

No explanation has been furnished by the appellant at this stage on the findings and conclusion of the Id. AO. In absence of any explanation & on the basis of facts gathered and discussed by the Id. AO, considering entire facts in the penalty order, I find that Id. AO is justified in passing penalty order as discussed above. I have considered the facts of the penalty order and found that "it is evident from the above details that the Id. AO has provided

opportunity to the assessee, but assessee has failed to compliance. The assessee did not care to furnish any explanation in respect of penalty proceeding u/s 271(1)(b) of the I.T.Act, 1961, issued to the assessee. Therefore, the assessee does not have any reasonable cause for such failure to comply with the above-mentioned show cause notice. During the course of appellate proceedings, the

appellant has not submitted any evidence or filed any cogent reasons for not complying with the notices issued u/s 142(1) of the I.T. Act. However, in this case no such reasonable cause has been put forth by the appellant. Hence, the action of ld. AO imposing penalty of Rs.10,000/- is upheld and the appellant's appeal is accordingly dismissed. The penalty order was passed in the light of principals of natural justice.

Therefore, following the view taken in the case cited above, the appeal filed by the appellant deserves to be dismissed accordingly. Therefore, appeal of these grounds are dismissed.

6. Ground No.3:- This ground of appeal is general in nature and do not require any specific adjudication.

7. In the result, appeals are dismissed.”

6. The assessee company being aggrieved with the order of the CIT(Appeals) has carried the matter in appeal before us.

7. As is discernible from the record, the assessee company/appellant despite having been intimated about the hearing of the appeal has neither put up an appearance nor filed any application for adjournment, therefore, we are constrained to proceed with and dispose off the appeal as per Rule 24 of the Appellate Tribunal Rules, 1963 after hearing the respondent revenue and perusing the material available on record.

8. Ostensibly, the assessee company in the course of the assessment proceedings had neither participated nor complied with the notice(s) issued by the A.O u/s. 142(1) of the Act. The lackadaisical conduct of the assessee company continued even in the course of the penalty

proceedings, wherein despite having been put to notice, it had failed to come forth with any explanation as to why penalty under the aforesaid statutory provision may not be imposed in its case.

9. Also, the aforesaid casual approach of the assessee company continued before the CIT(Appeals), wherein, it had once again failed to participate in the proceedings before the first appellate authority.

10. Considering the aforesaid factual matrix, in absence of any explanation forthcoming from the assessee/appellant pointing out any perversity in the orders passed by the lower authorities, we find no infirmity in order passed by the CIT(Appeals), who had rightly upheld the penalty imposed by the A.O u/s. 271(1)(b) of the Act and, thus, uphold the same.

11. In the result, appeal filed by the assessee company in ITA No.06/RPR/2025 for A.Y.2012-13 being devoid and bereft of any merit is dismissed in terms of our aforesaid observations.

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A.Ys.2018-19 & 2019-20

12. As the facts and issues involved in the captioned appeals, except for, the statutory provision under which the penalty had been imposed i.e. u/s. 272A(1)(d) of the Act, remains the same as were there before us in ITA No.06/RPR/2025 for A.Y.2012-13, therefore, our order therein passed

shall apply *mutatis-mutandis* for disposing of the present appeals i.e. ITA Nos. 08 & 09/RPR/2025 for A.Y.2018-19 and A.Y.2019-20. In these cases also, we find no infirmity in the view taken by the CIT(Appeals) and, thus, uphold the same on similar terms as were recorded by us in ITA No.06/RPR/2025 for A.Y.2012-13.

13. In the result, appeals filed by the assessee company in ITA Nos. 08 & 09/RPR/2025 for A.Y.s 2018-19 and 2019-20 are dismissed in terms of our aforesaid observations.

14. Resultantly, all the appeals filed by the assessee company are dismissed in terms of our aforesaid observations.

Order pronounced in open court on 29th day of January, 2025.

Sd/-
ARUN KHODPIA
(ACCOUNTANT MEMBER)

Sd/-
RAVISH SOOD
(JUDICIAL MEMBER)

रायपुर/ RAIPUR ; दिनांक / Dated : 29th January, 2025.

***SB, Sr. PS

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT, Raipur-1 (C.G)
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, रायपुर बेंच,
रायपुर / DR, ITAT, Raipur Bench, Raipur.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

Senior Private Secretary

आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur.

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