

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DEHRADUN “SMC” BENCH, DEHRADUN**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI M. BALAGANESH, ACCOUNTANT MEMBER
(THROUGH VIDEO CONFERENCING)**

ITA No.201/DDN/2024
Assessment Year: 2016-17

Sh. Devendra Kumar Jain, 29, Rest Camp West, Dehradun	Vs.	Income Tax Officer, Dehradun
PAN :AGTPJ5138R		
(Appellant)		(Respondent)

Assessee by	Sh. K. K. Juneja, Adv.
Department by	Sh. A.S. Rana, Sr. DR

Date of hearing	21.03.2025
Date of pronouncement	21.03.2025

ORDER

PER SATBEER SINGH GODARA, JM

This assessee’s appeal for assessment year 2016-17, arises against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the “CIT(A)/NFAC”], Delhi’s DIN and order no. ITBA/NFAC/S/250/2024-25/1070305275(1), dated 13.11.2024, involving proceedings under section 271(1)(b) of the Income-tax Act, 1961 (hereinafter referred to as ‘the Act’).

2. It emerges during the course of hearing that both the learned lower authorities have levied section 271(1)(b) penalty of

Rs.30,000/- in the assessee's hands for having not complied with the corresponding section 142(1) notices issued on 21st and 14th October, 2023 and 1st January, 2024; respectively.

3. We have given our thoughtful consideration to the assessee's and Revenue's vehement rival submissions against and in support of the impugned penalty. We are of the considered view that given the fact that it was an instance of newly introduced system of faceless hearing, possibility of some communication gaps between the assessee and his counsel/auditor could not be altogether ruled out for various reasons. We thus conclude that the impugned section 271(1)(b) penalty of Rs.30,000/- is not sustainable in law which stands deleted. Ordered accordingly.

4. This assessee's appeal is allowed in above terms.

Order pronounced in the open court on 21st March, 2025

Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 21st March, 2025.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi