

**IN THE INCOME TAX APPELLATE TRIBUNAL
AMRITSAR BENCH, AMRITSAR**

**BEFORE SH. UDAYAN DASGUPTA, JUDICIAL MEMBER
AND SH. BRAJESH KUMAR SINGH, ACCOUNTANT MEMBER**

I.T.A. No. 20/Asr/2025
Assessment Year: 2019-20

Samro Bai,
Vill. Ganjuana,
Fazilka, Punjab
152123

Vs.

Income Tax Officer,
Ward-2(3), Abohar

[PAN: DVBPB 0749E]

(Appellant)

(Respondent)

Appellant by : None (Written submission)
Respondent by : Sh. Charan Dass, Sr. D.R.
Date of Hearing : 19.05.2025
Date of Pronouncement : 23.05.2025

ORDER

Per Brajesh Kumar Singh, A.M.:

This appeal is filed by the assessee against the order of Id. CIT(A), National Faceless Appeal Centre (NFAC), Delhi dated 22.11.2024 against the penalty order dated 13.08.2024 u/s 272A(1)(d) of the Income Tax Act, 1961 (hereinafter 'the Act') levying a penalty of Rs.30,000/- (Rs.10,000/- for each failure) for the non-

compliance of notice u/s 142(1) of the Act dated 21.11.2023, 15.12.2023 and 04.03.2024.

2. None appeared on behalf of the assessee however, a brief synopsis and a paper book was filed by the assessee. Therefore this case is decided on the basis of the paper book filed by the assessee and after hearing the ld. DR.

3. The assessee did not file her return of income for AY 2019-10. The AO had information that the assessee had invested in time deposit of Rs.10,00,000/- during the year under consideration. The AO issued a notice on 24.02.2023 in compliance to which the assessee did not file her return of income. The assessment was completed u/s 147 r.w.s. 144 of the Act on a total income of Rs.7,63,564/- on 13.03.2024. Simultaneously, penalty proceedings u/s 271A(1)(d) of the Act also initiated separately in this case for non compliance of notice u/s 142(1) dated 21.11.2023, 15.12.2023 and 04.03.2024.

4. The AO gave an opportunity of hearing in this respect of the said penalty notice vide notice dated 26.03.2024 and 03.05.2024, fixing the case on 10.04.2024 & 17.05.2024, when again there was no compliance by the assessee.

5. The AO noted, despite ample opportunity provided, the assessee did not submit any explanation and it was thus concluded by the AO, that the assessee failed to explain/give any valid reasonable cause with documentary evidences for non

imposition of penalty u/s 272A(1)(d) of the Act. The AO also noted that the assessee had not preferred any appeal against the addition made in the assessment order. Accordingly, the AO held that this was a fit case for imposition of penalty u/s 272A(1)(d) of the Act for non compliance of notice u/s 142(1) dated 21.11.2023, 15.12.2023 and 04.03.2024. Thereafter, for the above three defaults the AO levied penalty of Rs.30,000/- u/s 272A(1)(d) of the Act (Rs.10,000/- for each failure) for non compliance to the above notice u/s 142(1) of the Act.

6. Aggrieved with the said order of the AO, the assessee filed an appeal before the Id. CIT(A) with the following grounds of appeal:

- “1. The Ld. AO has erred on facts & law in imposing penalty u/s 272A(1)(d) of the Act dated 13.08.2024 amounting to Rs. 30,000/- without providing any proper opportunity of hearing to the assessee.*
- 2. The Ld. AO erred on facts and law in imposing penalty u/s 272A(1)(d) of the Income Tax Act, 1961 as the compliance of notices u/s 142(1) of the Act could not be made because of the fact that notice have been issued through electronic mode of communication and speed post have not been served on the assessee and the assessee was not aware of the notices.*
- 3. Notwithstanding the above stated Grounds of appeal, the Ld. AO has erred on facts and law in imposing penalty of Rs. 30,000/- which is excessive and deserves to be reduced.*
- 4. That the appellant craves leave to add or amend the grounds of appeal before the appeal is finally heard or disposed of”*

7. The assessee submitted before the Id. CIT(A) that the assessee was an illiterate lady aged about 60 years, having agricultural background and the credit in the bank account of the assessee was on account of compensation received under Motor Vehicles Act, 1988 on account of accidental death of her son of Sh. Sukhdev Singh. The necessary death certificate of Sh. Sukhdev Singh, order of Motor Accident Claims Tribunal regarding compensation under Motor Vehicles Act, 1988 and bank statement of the assessee was also attached. Further without prejudice, a claim was made that the penalty of Rs.30,000/- was excessive and same may kindly be reduced to Rs.10,000/-. The Id. CIT(A) upon examination of the reply noted that the assessee only stated that the penalty of Rs.30,000/- was excessive which means that the assessee was aware of this proceedings but did not pay any attention to them. Therefore, the Id. CIT(A) did not accept the explanation of the assessee and dismissed the appeal of the assessee.

8. Aggrieved with the order of the Id. CIT(A) the assessee filed an appeal before us with the following grounds of appeal.

- “1. *That the Ld. CIT(A) NFAC has erred on facts and law while dismissing the appeal of the assessee, vide order u/s 250 of the Act dt. 22.11.2024, against the order u/s 272A(1)(d) of the Act imposing penalty by AO NFAC amounting to Rs. 30,000/-.*
2. *That the Ld. CIT(A) NFAC has erred on facts and law while dismissing the appeal of the assessee, vide order u/s 250 of the Act dt. 22.11.2024, against the order u/s*

272A(1)(d) of the Act imposing penalty by AO NFAC amounting to Rs. 30,000/- without appreciating the reply filed by the assessee during the course of appellate proceedings.

3. *That the appellant craves leave to add or amend the grounds of appeal before the appeal is finally heard or disposed of.”*

9. In the written submission filed before us, it is submitted that the assessee is an illiterate lady aged about 60 years having agricultural background, resident of village Ganjuana which is a rural and remote area situated in Tehsil and Distt. Fazilka, in the state of Punjab. It was further submitted that the assessee puts her signature in Punjabi and does not know any other language other than Punjabi. In ground no. 2 of the appeal before the Id. CIT(A) as reproduced earlier in this order, it was stated that the compliance to the notices u/s 142(1) could not be made because of the fact that the notices were issued through electronic mode of communication and speed post have not been served on the assessee and therefore, the assessee was not aware of the notices. Even though this fact has not been mentioned in the ground was not taken before us or stated in the written submissions filed by the assessee but considering the background of the assessee a lenient view is taken and the explanation of the assessee that she was not able to appear before the AO in view of the notices issued through electronic mode and thus not being aware of it appears to be reasonable and bonafide. Therefore, we are of the considered view that there was a reasonable cause

was the above defaults and therefore, we delete the penalty of Rs.30,000/- levied by the AO and allow the grounds of appeal filed by the assessee

10. In the result, the appeal filed by the assessee is allowed.

Order pronounced in open court as on 23.05.2025

Sd/-
(Udayan Dasgupta)
Judicial Member

Sd/-
(Brajesh Kumar Singh)
Accountant Member

GP/Sr.PS

Copy of the order forwarded to:

- (1) The Appellant:
- (2) The Respondent:
- (3) The CIT concerned
- (4) The Sr. DR, I.T.A.T

True Copy
By Order