

IN THE INCOME TAX APPELLATE TRIBUNAL, RANCHI BENCH, RANCHI

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

ITA No. 21/Ran/2025

(Assessment Year-2015-16)

Krishna Construction, Plot No. 59, New A G Cooperative Colony, Near DAV Kapildev, Ranchi-834002 (Jharkhand) PAN No. AAACB 7934 M	Vs.	D.C.I.T., Circle-1, Ranchi.
Appellant/ Assessee		Respondent/ Revenue

Assessee represented by	Shri Vinay Kumar Jalan, A.R.
Department represented by	Shri R.C. Marndi, Sr.DR
Date of hearing	05/01/2026
Date of pronouncement	05/01/2026

ORDER

PER: BENCH

1. This is an appeal filed by the assessee against the order of the Id. CIT(A), NFAC, Delhi in Appeal No. NFAC/2014-15/10301346 dated 23/10/2024 for the A.Y. 2015-16 against the confirmation of penalty levied under Section 271(1)(b) of the Income Tax Act, 1961 (in short, the Act).
2. Shri Vinay Kumar Jalan, Id. A.R. is represented on behalf of the assessee and Shri R.C. Marndi, Id. Sr.DR represented on behalf of the revenue.
3. It was submitted by the Id. AR that the penalty has been levied for non-compliance to certain notices in the course of assessment. It was a submission that the Id. CIT(A) had issued notice to the assessee on 21/10/2024 asking for compliance by 25/10/2024 but the Id. CIT(A) had without waiting for the compliance by the assessee, passed the order on

23/10/2024. It was also the submission that the assessment order itself has been passed under Section 143(3) and therefore, it should be assumed that non-compliance to earlier notices was already pardoned by the Assessing Officer.

4. In reply, the Id Sr.DR has vehemently supported the orders of the lower authorities.
5. We have considered the rival submissions. As it is noticed that the quantum assessment order has been passed under Section 143(3) after the alleged non-compliance by the assessee, it is assumed that the assessee has subsequently cooperated in the assessment proceedings and therefore, the Assessing Officer has also pardoned the non-compliance. This being so, the penalty as levied by the Assessing Officer and as confirmed by the Id. CIT(A) stands deleted.
6. In the result, this appeal of the assessee is allowed.

Order announced in open court on 05/01/2026

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Sd/-
(GEORGE MATHAN)
JUDICIAL MEMBER

Ranchi, Dated: 05/01/2026

**Ranjan*

Copy to:

1. Assessee
2. Revenue
3. CIT
4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Ranchi