

IN THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD "C" BENCH

**Before: Smt. Annapurna Gupta, Accountant Member
And Shri T. R. Senthil Kumar, Judicial Member**

**ITA No: 2049/Ahd/2025
Assessment Year: 2018-19**

Chudaji Thakor Vasajada, Dhejia, Garodia, Kalol, Gandhinagar, Gujart-382721 PAN: AOVPT3573N (Appellant)	Vs	Income Tax Officer, Ward-1, Gandhinagar Gandhinagar (Respondent)
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**Assessee Represented: Ms. Divya S Agarwal, A.R.
Revenue Represented: Smt. Ananya Kulshresth, Sr. D.R.**

Date of hearing : 12-01-2026
Date of pronouncement : 16-01-2026

आदेश/ORDER

PER : T.R. SENTHIL KUMAR, JUDICIAL MEMBER:-

This appeal is filed by the Assessee as against appellate order dated 29-07-2025 passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, (in short referred to as "CIT(A)"), arising out of the penalty levied under section 272A(1)(d) of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') relating to the Assessment Year 2018-19.

2. The registry has noted that there is delay of 30 days in filing the above appeal. The assessee explained that he is a farmer, residing in an interior village and has no access to internet facilities which has resulted in non-compliance to the notices issued by the Revenue Authorities and also resulted in passing exparte assessment order as well as penalty order, therefore one more opportunity be given to the assessee by condoning the delay of 30 days in filing the above appeal.

3. Ld. Sr. D.R. appearing for the Revenue has no serious objection in condoning the delay, thereby the delay of 30 days in filing the present appeal is hereby condoned.

4. Brief facts of the case is that the assessee is an individual who has not filed the Return of Income sold an immovable property for a consideration of Rs.75 lakhs and made cash deposit of Rs. 49 lakhs in his bank account with Bank of India during the Financial Year 2017-18 relevant to the Asst. Year 2018-19. Therefore a notice under section 148 dated 28-03-2023 was issued to the assessee. The assessee has not responded to the above notice as well as notices u/s. 142(1) issued by the assessing officer, which has resulted in passing exparte assessment order as well as exparte penalty order u/s. 272A(1)(d) of Rs. 10,000/- for failure to comply with the notices issued u/s. 142(1) of the Act.

4.1. It is seen from the Assessment order that the notice u/s.142(1) dated 07-11-2022 was issued by the assessing officer but not received by the assessee, which has resulted in passing exparte

assessment order. Therefore the A.O. initiated penalty proceedings u/s. 272A(1)(d) of the Act. During the penalty proceedings notices were not served on the assessee, therefore Verification Unit (VU) physically served final notice to the assessee on 15-09-2023. However the assessee failed to reply within five days time, which has resulted in passing exparte penalty order imposing penalty of Rs.10,000/- under section 272A(1)(d) of the Act.

5. On appeal against the penalty order, Ld. CIT(A) dismissed the appeal of the assessee by observing as follows:

“6.1.1 The claim that the appellant did not receive the notice u/s 142(1) is not tenable, as the penalty order clearly shows that Notices and reminders were issued on multiple dates (13.03.2023, 23.05.2023, 14.06.2023, 11.07.2023), all of which were not complied with. Communications were sent through the email ID provided by the appellant in the PAN application. Additionally, a physical notice was served via the designated Verification Unit on 15.09.2023, yet no compliance was made even thereafter.

The explanation regarding the advocate not forwarding emails from the department is not a reasonable cause under section 273B. The appellant, being the responsible taxpayer, should have ensured that communications made to his email (as declared in his PAN) were monitored or properly redirected. Delegation of responsibility to an advocate does not exempt the appellant from consequences of non-compliance.

The continued failure to respond indicates a clear disregard for proceedings at multiple stages and weakens the credibility of the appellant's explanation. In view of said fact, ground of appeal raised by the appellant is dismissed.”

6. We have heard rival submission and perused the materials available on record. Assessee's submission before Ld. CIT(A) are as follows:

“Assessee being farmer and staying in remote village, did not have knowledge of income tax provisions. Therefore, he contacted Advocate Momin at Kalol which is nearest place from his village and obtained PAN

and further advices for Income Tax. The Advocate had given following mail id in PAN application.

“incometaxmomin116@gmail.com”

The assessee did not have sufficient income, so he did not pay fees to the advocate for services rendered by him. Because of this the Notices received from Income Tax Department in his (Adv. Momin) mail id were not given to the assessee. Therefore, assessee did not income tax notices received.

Since, assessee did not receive any Notice u/s 142(1) and subsequent SCN u/s 272A(1) (d). Assessee did not know about Penalty Proceedings for Non-compliance u/s 142(1) for the reasons mentioned above. This being reasonable cause provided u/s 273B of the Act, the Penalty levied may please be waived.”

6.1. It was brought to our knowledge that the quantum appeal against the exparte assessment order is set-aside by the Coordinate Bench of this Tribunal in ITA No. 301/Ahd/2025 dated 22-05-2025 with a direction to pass order on merits by giving opportunity of hearing to the assessee and also consider the additional evidences.

6.2. It is undisputed fact that the assessee is a farmer staying in a remote village and not filed his Return of Income and approached Advocate at Kalol, obtained PAN and further advices relating to Income Tax matters. Since the assessee did not pay fees to the Advocate for the services rendered by him, he has not informed the communication sent in the email ID of the Advocate, which has resulted in passing exparte assessment order as well as exparte penalty order. This is a reasonable cause as required u/s. 273B of the Act. Further the Revenue also admits that no physical notice was served on the assessee. Considering the facts of the case, we

hereby delete the penalty of Rs.10,000/- levied u/s. 272A(1)(d) of the Act.

7. In the result, the appeal filed by the Assessee is hereby allowed.

Order pronounced in the open court on 16-01-2026

Sd/-
(ANNAPURNA GUPTA)
ACCOUNTANT MEMBER *True Copy*
Ahmedabad : Dated 16/01/2026

Sd/-
(T.R. SENTHIL KUMAR)
JUDICIAL MEMBER

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलीय अधिकरण,
अहमदाबाद