

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

**BEFORE : SHRI S. RIFAUR RAHMAN, ACCOUNTANT MEMBER  
AND  
SHRI SUNIL KUMAR SINGH, JUDICIAL MEMBER**

**ITA No. 555/Agr/2025  
Assessment Year: 2015-16**

Jaggo S/o Sh. Indar H. No. 6, Azampur Mathura, Mathura	<b>Vs.</b>	Income Tax Officer Ward 1(3)(1), Mathura
<b>PAN : AYOPJ8958J</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	Sh. Anurag Sinha, Adv.
Department by	Sh. Anil Kumar, Sr. DR

Date of hearing	16.02.2026
Date of pronouncement	18.02.2026

**ORDER**

**PER : S. RIFAUR RAHMAN, ACCOUNTANT MEMBER:**

The assessee has preferred this appeal against the order of National Faceless Appeal Centre (NFAC), Delhi dated 17.11.2025 u/s. 250 of the Income-tax Act, 1961 ("the Act" for short) for the assessment year 2015-16.

2. Aggrieved with the above order, assessee is in this appeal, raising following grounds :

"1. Because in the facts and circumstances of the case, learned CIT (Appeals) has erred in not deleting the penalty of Rs. 10,000/- imposed by the Assessing Officer under section 271(1)(b) of the Act.

3. Brief facts of the case are, the notice u/s 142(1) of the Act was issued to the assessee calling for information/explanation along with the documents during the assessment proceedings u/s 143(3) of the Act. The above notice was issued through registered e-mail id and fixed for compliance on 26.02.2021, after laps of considerable time, the Assessing Officer issued the another notice u/s 274 to the assessee r.w.s 271(1)b) of the Act why penalty u/s 271 of the Act should not be initiated and levied. In compliance, the assessee not submitted any reply. Accordingly, Assessing Officer levied the penalty of Rs. 10,000/-.

4. Aggrieved, assessee preferred an appeal before NFAC, Delhi. Before Id. CIT(Appeals), the assessee has submitted that the various notices issued during the assessment and penalty proceedings were not served on him due to the fact that the assessee had filed utilizing e-mail id of previous tax consultant who never intimated to the assessee.

5. After considering the submission of the assessee, Id. CIT(Appeals) observed that Assessing Officer is required to issue notice to the assessee at the registered e-mail id of the assessee. The onus is cast upon the assessee to upload e-mail-id in case of change. In this case, the Assessing Officer has issued notice at the registered e-mail.id of the assessee. Therefore, Assessing Officer has acted as per procedure

established by law. Accordingly, he rejected the contention the assessee and sustained penalty levied.

6. Aggrieved with the above order, assessee is in appeal before us. At the time of hearing, the Id. AR of the assessee brought to our notice page 11 of the paper book wherein the assessee has filed an affidavit and submitted that penalty was levied for non-compliance to the various notices however, he brought to our notice page 23 of the paper book which is the order of First Appellate Authority wherein Id. CIT(Appeals) has adjudicated the quantum appeal on the issue of delay by the assessee. He submitted that on the basis the quantum appeal, the same was set aside for statistical purposes. In exact similar reasons, the assessee never served upon the various notices of penalty also. In support of the same, the assessee has submitted affidavit during appellate proceedings and it was stated that no notice u/s 148 and 142(1) of the Act was received by the assessee through postal authority during the course of assessment proceedings for the Assessment Year 2015-16. Further it was observed that during the course of assessment proceedings for Assessment Year 2016-17, it is transpired that he was incompetent and not filed the return of income correctly and earlier counsel has left the service. Based on the above observations quantum appeal was set aside to the Assessing Officer. In this regard, he

submitted that the same affidavit was filed before Id. CIT(A) in the penalty proceedings. However, the same was rejected and he prayed that the penalty levied may be deleted considering the peculiar facts on record.

7. On the other hand, the Id. DR relied on the finding of lower authorities.

8. Considered the rival submissions and the material placed on record. We observe that the proceeding u/s 148 was initiated in the case of the assessee and various notices u/s 148 and 142(1) were issued to the assessee through postal as well as e-mail id of the previous counsel, however due to non compliance, quantum appeal of the assessee was set aside to the Assessing Officer to redo the assessment for the reason that the assessee is illiterate and none of the notices issued and served on the assessee. The penalty proceedings initiated in the case of the assessee are exactly similar, it is relating to the same proceedings, However Id. CIT(Appeals) has taken a different views. Therefore, since the quantum appeal was set aside to the Assessing Officer and the factual submissions made by the assessee were accepted in quantum appeal. In our view, the same cannot be rejected in penalty proceedings. Therefore, considering peculiar facts on record, and we are inclined to

delete the penalty levied u/s 271(1)(b) of the Act with the liberty to Assessing Officer to initiate penalty proceedings based on the findings in the set aside quantum proceedings remitted to Assessing Officer for de novo assessment.

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

***Order pronounced in the open court on 18/02/2026***

**Sd/-  
(SUNIL KUMAR SINGH)  
JUDICIAL MEMBER**

**Sd/-  
(S. RIFAUR RAHMAN)  
ACCOUNTANT MEMBER**

Dated: 18.02.2026

\*Ganesh Kumar, Sr. PS

Copy forwarded to:

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

Asst. Registrar, ITAT, Agra