

**In the Income-Tax Appellate Tribunal,
Delhi Bench 'B', New Delhi**

**Before : Shri I.C. Sudhir, Judicial Member And
Shri L.P. Sahu, Accountant Member**

**ITA No. 5485/Del./2015
Assessment Year: 2010-11**

ITO WARD – 2 (1) New Delhi (Appellant)	vs.	Airing Charters Pvt. Ltd. E – 22 , Masjid Moth, Greater Kailash , Part - III New Delhi. PAN- AAHCA5482A (Respondent)
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Appellant by	Shri Anshu Prakash Sr. Dr.
Respondent by	Sh. V . K. Agrawal Advocate

Date of Hearing	28.08.2017
Date of Pronouncement	18.09.2017

ORDER

Per L.P. Sahu, A.M.:

This is an penalty appeal filed by the Revenue against the order dated 08.07.2015 of the Id. CIT(A), I, New Delhi for the assessment year 2010-11. On the following ground of appeal :

“On the facts and in the circumstances of the case and in law, the Ld. CIT(A) has erred in :-

1. *Deleting penalty of Rs.10,64,752/- imposed u/s. 271(1)(c) of the Income Tax Act, 1961 by the A.O.”*

2. The brief facts of the case are that the assessee filed return of income on 23.09.2010. The case was selected for scrutiny. In the scrutiny proceedings,

the Assessing Officer made certain additions. The Id. CIT(A) confirmed the additions made on account of Ground Handling Charges of Rs. 32,25,000/- and Conveyance expenses of Rs.2,20,800/- The Assessing Officer imposed penalty u/s. 271(1)(c) of the IT Act on the basis of above additions. Aggrieved by penalty order, the assessee appealed before the CIT(A) and the Id. CIT(A) deleted the penalty imposed by the assessing officer. Aggrieved by this order of the Id. CIT(A), the Revenue is in appeal before the Tribunal.

3. As regards the penalty based on Ground Handling Charges of Rs. 32,25,000/- and Conveyance expenses of Rs.2,20,800/-, we find that the ITAT Bench-A, New Delhi in quantum appeal (ITA No. 6107/Del./2013) for the A.Y. 2010-11, has already deleted these additions vide order dated 18.08.2017. Therefore, since the very basis of imposition of penalty stood collapsed, there remains no justification to sustain the penalty, based on the above additions at this stage. We, therefore, confirm the order of Id. CIT(A), canceling the penalty imposed by the AO. Accordingly, the appeal of the Revenue deserves to be dismissed.

4. In the result, the appeal of the Revenue is dismissed.

Order pronounced in the open court on 18.09.2017.

Sd/-
(I.C. Sudhir)
Judicial member

Sd/-
(L.P. Sahu)
Accountant Member

Dated: 18.09.2017

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