

**IN THE INCOME TAX APPELLATE TRIBUNAL  
"D" Bench, Mumbai**

**Before Shri Rajesh Kumar, Accountant Member  
and Shri Amarjit Singh, Judicial Member**

**ITA No. 3520/Mum/2017**  
(Assessment Year: 2001-02)

D C I T - 1(3)(2)  
Room No. 540, 5th Floor  
Aayakar Bhavan, M.K. Road  
Mumbai 400020

M/s. Maharashtra State Co-Op.  
Agricultural Rural Multipurpose  
Development Bank Ltd.  
15-A, Morvi Lane,  
Chowpatty Mumbai 400007

PAN – AAAAM9669E

**Appellant**

**Respondent**

Appellant by: Shri Rahul Raman  
Respondent by: Shri Raturaj H. Gurjar

Date of Hearing: 11.11.2019  
Date of Pronouncement: 18.11.2019

**ORDER**

**Per Rajesh Kumar, AM**

This appeal filed by Revenue is directed against the order of the CIT(A)-3, Mumbai dated 06.02.2017 and it relates to A.Y. 2001-02.

2. The only issue raised by the Revenue is deletion of penalty by the CIT(A) of ₹5,79,24,924/- as levied by the AO under Section 271(1)(c) of the Act.

3. At the outset the learned counsel for the assessee submitted before the Bench that the quantum appeal filed by the assessee before the Hon'ble Tribunal has been restored to the file of the CIT(A) for passing a speaking order, after considering the facts of the case and affording reasonable opportunity of hearing the assessee in ITA No. 5633/Mum/2013 for A.Y. 2001-02 and others vide order dated 14.03.2017. The learned counsel for the assessee submitted that the present penalty appeal may also be decided accordingly in view of the order of the ITAT in the quantum appeal.

4. The learned D.R. relied on the grounds of appeal and the order of the AO and penalty order and left it to the discretion of the Bench to decide the issue after perusing the order of that ITAT in ITA NO. 5633/Mum/2013 (supra).

5. We have heard the rival contentions and perused the record. The quantum appeal is restored to the file of the learned CIT(A) to pass a speaking order after taking into consideration all the facts and affording reasonable opportunity of hearing to the assessee. Accordingly we restore the penalty appeal also to the file of the CIT(A) to decide the same after deciding the quantum appeal. The assessee is at liberty to take any fresh appeal before the learned CIT(A) during the penalty proceedings. The appeal of the Revenue is disposed off as indicated above.

6. In the result, the appeal filed by the Revenue is allowed for statistical purposes.

Order pronounced in the open court on 18<sup>th</sup> November, 2019.

Sd/-  
**(Amarjit Singh)**  
**Judicial Member**

Sd/-  
**(Rajesh Kumar)**  
**Accountant Member**

Mumbai, Dated: 18<sup>th</sup> November, 2019

Copy to:

1. *The Appellant*
2. *The Respondent*
3. *The CIT(A) -3, Mumbai*
4. *The Pr.CIT - 1, Mumbai*
5. *The DR, "D" Bench, ITAT, Mumbai*

*By Order*

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*Assistant Registrar*  
*ITAT, Mumbai Benches, Mumbai*

n.p.