

**IN THE INCOME TAX APPELLATE TRIBUNAL “D” BENCH MUMBAI  
BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIALMEMBER  
AND  
SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER**

**ITA No. 520/MUM/2024  
Assessment Year: 2017-18**

Durga Co-operative Credit Society Ltd., 2/3, Sukarma Aptt., Prabhat City, Gandhi Chowk, Santacruz(E), Mumbai – 400055 (PAN : AAAAD8298C)	Vs.	Income Tax Officer, National Faceless Assessment Centre
<b>(Appellant)</b>		<b>(Respondent)</b>

**Present for:**

Assessee : None  
Revenue : Smt. Mahita Nair, Sr. DR

Date of Hearing : 13.06.2024  
Date of Pronouncement : 26.06.2024

**ORDER**

**PER GIRISH AGRAWAL, ACCOUNTANT MEMBER:**

This appeal filed by the assessee is against the order of Ld. CIT(A), National Faceless Appeal Centre (NFAC), Delhi, vide order no. ITBA/NFAC/S/250/2023-24/1058993514(1), dated 22.12.2023 passed against the penalty order by Assessing Officer, National Faceless Assessment Centre, Delhi u/s. 270A of the Income-tax Act, 1961 (hereinafter referred to as the “Act”), dated 10.08.2021 for AY 2017-18.

2. In this appeal, assessee has challenged the imposition of penalty of Rs.15,54,648/- u/s. 270A despite bringing on record that the quantum addition made by the Assessing Officer has been deleted by

the Co-ordinate Bench of ITAT, Mumbai in assessee's own case in ITA No.1413/Mum/2021 vide order dated 24.08.2022.

3. Brief facts of the case are that assessee is a Co-operative Credit Society which earned interest from banks and co-operative banks for Rs.25,75,611/-. Assessee claimed deduction u/s.80P(2)(a)(i) of the Act. Claim of the assessee was disallowed which travelled in appeal up to Co-ordinate Bench of ITAT, Mumbai whereby the claim of the assessee for deduction u/s.80P(2)(a)(i) was allowed. Ld. Assessing Officer had initiated the penalty proceedings u/s. 270A after the passing of quantum first appellate order by Ld. CIT(A) dated 25.03.2021. Ld. Assessing Officer imposed a penalty since Ld. CIT(A) had dismissed the appeal of the assessee on the quantum of disallowance made. Assessee went in appeal before the Ld. CIT(A) against the penalty so imposed. In the course of this appellate proceedings, assessee informed the Ld. CIT(A) about the pendency of its quantum appeal before the Co-ordinate Bench of ITAT, Mumbai. The Co-ordinate Bench of ITAT, Mumbai pronounced its order on 24.08,2022 allowing claim of the assessee u/s.80P(2)(a)(i). However, this fact was not brought before the Ld. CIT(A) in the first appellate proceedings for penalty. Accordingly, the appeal of the assessee was dismissed vide order dated 22.12.2023.

4. Before us, Ld. Counsel has submitted that since the claim of the assessee u/s.80P(2)(a)(i) has been allowed, there remains no basis for imposition of penalty u/s.270A. Accordingly, Ld. Counsel submitted that penalty so imposed ought to be deleted. On confrontation of these facts to the Ld. Sr. DR, nothing contrary was submitted. Accordingly, in the given set of facts, whereby the claim of the assessee has been allowed by the Co-ordinate Bench of ITAT, Mumbai (Supra), we hold that there is no basis for the imposition of penalty u/s. 270A.

Accordingly, penalty so imposed is deleted. Ground No.1 taken by the assessee in this respect is allowed.

5. In the result, appeal of the assessee is allowed.

Order is pronounced in the open court on 26 June, 2024

Sd/-  
(Narender Kumar Choudhry)  
Judicial Member

Sd/-  
(Girish Agrawal)  
Accountant Member

***Dated: 26 June, 2024***

*MP, Sr.P.S.*

**Copy to :**

1. The Appellant
2. The Respondent
3. DR, ITAT, Mumbai
4. Guard File
5. CIT

BY ORDER,

(Dy./Asstt.Registrar)  
ITAT, Mumbai