

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI "D" BENCH : MUMBAI

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI GIRISH AGRAWAL, ACCOUNTANT MEMBER

ITA.No.4166/Mum./2023
Assessment Year 2014-2015

Mr. Roshanlal Gehrilal Joshi, B/702, Mahesh Tower, Sector-2, Charkop, Kandivali West, Mumbai – 400 067. Maharashtra.PAN AFSPJ6873R	vs.	The ITO, Ward-33(3)(2), Kautilya Bhawan, BKC, Mumbai – 400 051 Maharashtra.
(Appellant)		(Respondent)

For Assessee :	Ms. Dinkle Haria
For Revenue :	Smt. Mahita Nair, Sr. DR

Date of Hearing :	11.07.2024
Date of Pronouncement :	22.07.2024

ORDER

PER SATBEER SINGH GODARA, J.M.

This assessee's appeal, for assessment year 2014-2015, arises against the National Faceless Appeal Centre [in short the "NFAC"] Delhi's Din and Order No. ITBA/NFAC/S/250/2022-23/1045051423(1) dated 30.08.2022, in proceedings u/s.271(1)(c) of the Income Tax Act, 1961 (in short "the Act").

Heard both the parties. Case file perused.

2. Coming to the assessee's sole substantive grievance seeking to delete sec.271(1)(c) penalty of Rs.6,80,360/-; it transpires with the able assistance coming from both the parties that the same pertains to quantum addition of Rs.28,34,537/- representing estimated undisclosed income @ 15% of the corresponding cash payments made to farmers amounting to Rs.1,88,96,917/- which has admittedly attained finality; the Assessing Officer concludes this an instance of furnishing of inaccurate particulars of taxable income. The CIT(A)-NFAC has confirmed the impugned penalty in very terms.

3. Both the parties reiterated their respective stands against and in support of the impugned penalty. The Revenue, more particularly, submitted that we ought to confirm the impugned penalty even the case that assessee has been found to have committed the default in issue u/sec.271(1)(c) of the Act. We note in this factual backdrop that the foregoing quantum addition was itself made on estimate basis than based on any cogent material in the assessee's records indicating him either to have concealed or

furnished inaccurate particulars of taxable income. Faced with this situation, we quote CIT vs. Reliance Petro Products [2010] 322 ITR 158 (SC) wherein their lordships' have settled the law that each and every quantum disallowance(s)/addition(s) does not attract the impugned penalty, since both are parallel proceedings in nature. We, therefore, delete the impugned penalty in very terms. Ordered accordingly.

4. This assessee's appeal is allowed in above terms.

Order pronounced in the open Court on 22.07.2024

Sd/-
[GIRISH AGARWAL]
ACCOUNTANT MEMBER

Sd/-
[SATBEER SINGH GODARA]
JUDICIAL MEMBER

Mumbai, Dated 22nd July, 2024

VBP/-

Copy to

1.	The applicant
2.	The respondent
3.	The Pr. CIT, Mumbai concerned
4.	D.R. ITAT, "D" Bench, Mumbai.
5.	Guard File.

//By Order//

//True Copy //

Assistant Registrar, ITAT, Mumbai Benches, Mumbai.