

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“DB” BENCH, AGRA**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER &  
SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER**

**ITA No. 03/Agr./2020  
(Assessment Year 2015-16)**

ITO, Ward-1(3) Aayakar Bhawan, Gwalior M.P.-474001	Vs.	United Credit Co-operative Society Limited, H.No. 23, H.No.23. Harshi Bhitwarwar Road, M.P.- 475110
स्थायीलेखासं. / जीआइआरसं. / PAN/GIR No: AAAAU6408P		
Appellant	..	Respondent

Appellant by :	Sh. Shailendra Shrivastava, Sr. DR
Respondent by :	None

Date of Hearing	10.02.2025
Date of Pronouncement	10.02.2025

**ORDER**

**PER SATBEER SINGH GODARA, JUDICIAL MEMBER:**

This Revenue's appeal for assessment year 2015-16 arises against Commissioner of Income Tax (Appeals) [in short, the "CIT(A)"] Gwalior's order dated 31.10.2019, in case No. CIT(A)Gwl/10257/2018-19, in proceedings under Section 271D & 271E of the Income Tax Act, 1961, [hereinafter referred to as 'the Act'].

2. Case called twice. None appears at the assessee's behest. It is accordingly proceeded *ex-parte*.

3. The Revenue vehemently argues during the course of hearing the CIT(A) impugned lower appellate discussion has erred in law and on facts in reversing the Assessing Officer action levying Section 271D and 271E penalties of Rs.57,82,600/- and Rs.32,70,000/-; respectively, levied in assessee's case for having availed and repaid cash loans.

4. We have given a thoughtful consideration to all the relevant facts emerging from the case records. Suffice to say, this assessee is admittedly a credit co-operative society; serving to its members only, in various remote places. And that all of the said members do not access to regular banking facilities as well. That being the clinching case, we are of the considered view that the assessee has indeed made out a "reasonable cause" so as to get out of the rigor of section 269SS and section 269T of the Act. We accordingly see no reason to interfere with the learned CIT(A)'s finding deleting the impugned sections 271d and 271E penalties herein.

5. This Revenue's appeal is dismissed.

Order pronounced in the open court on 10.02.2025

Sd/-  
(Manoj Kumar Aggarwal)  
ACCOUNTANT MEMBER

Sd/-  
(Satbeer Singh Godara )  
JUDICIAL MEMBER

Dated 10.02.2025

PS: Rohit/Subodh, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR