

IN THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD “C” BENCH

**Before: Shri T.R. Senthil Kumar, Judicial Member
And Shri Narendra Prasad Sinha, Accountant Member**

**ITA No. 786/Ahd/2025
Assessment Year 2016-17**

The Co.op Credit Society of VIS Limited 125, 126, Tirupati Market, Station Road, Visnagar, Mehsana-384315 PAN: AABTT4145Q (Appellant)	Vs	The DCIT, Circle Gandhinagar, Gandhinagar (Respondent)
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**Assessee Represented: Shri S.N. Divetia, A.R. &
Shri Samir Vora, A.R.**

Revenue Represented: Shri Hargovind Singh, Sr.D.R.

Date of hearing : 26-06-2025

Date of pronouncement : 30-06-2025

आदेश/ORDER

PER : T.R. SENTHIL KUMAR, JUDICIAL MEMBER:-

This appeal is filed by the Assessee as against the appellate order dated 19.02.2025 passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, (in short referred to as “CIT(A)”), arising out of penalty levied under section 271(1)(c) of the Income Tax Act, 1961 (hereinafter referred to as ‘the Act’) relating to the Assessment Year 2016-17.

2. At the outset, Ld. Counsel submitted that the Co-ordinate Bench of this Tribunal in assessee's own case for the very same Asst. Year 2016-17 on the quantum appeal in ITA No. 1484/Ahd/2019 dated 23/03/2022 set aside the matter back to the file of Ld. CIT(A) to adjudicate the issue of expenses to be allowed against the interest income earned from Nationalized Bank to be adjudicated afresh after considering the facts of the case. Therefore the levy of penalty be modified accordingly.

3. We have given our thoughtful consideration and perused the materials available on record including the quantum order passed by Co-ordinate Bench of this Tribunal. At this Juncture, we hereby reproduced Section 275(1A) of the Act, which reads as follows:

“275(1A) In a case where the relevant assessment or other order is the subject matter of an appeal 33[to the Joint Commissioner (Appeals) or] to the Commissioner (Appeals) under section 246 or section 246A or an appeal to the Appellate Tribunal under section 253 or an appeal to the High Court under section 260A or an appeal to the Supreme Court under section 261 or revision under section 263 or section 264 and an order imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty is passed before the order of 33[the Joint Commissioner (Appeals) or] the Commissioner (Appeals) or the Appellate Tribunal or the High Court or the Supreme Court is received by the 34[***] Principal Commissioner or Commissioner or the order of revision under section 263 or section 264 is passed, **an order imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty may be passed on the basis of assessment as revised by giving effect to such order of 33[the Joint Commissioner (Appeals) or] the Commissioner (Appeals) or, the Appellate Tribunal or the High Court, or the Supreme Court or order of revision under section 263 or section 264:** Provided that no order of imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty shall be passed—

(a) unless the assessee has been heard, or has been given a reasonable opportunity of being heard;

(b) after the expiry of six months from the end of the month in which the order of 34a[the Joint Commissioner (Appeals) or] the Commissioner

(Appeals) or the Appellate Tribunal or the High Court or the Supreme Court is received by the 34b[***] Principal Commissioner or Commissioner or the order of revision under section 263 or section 264 is passed:”

4. As per Section 275(1A), the Assessing Officer is empowered in passing an order imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty on the basis of assessment as revised by giving effect to the orders passed by the Joint Commissioner (Appeals) or the Commissioner (Appeals) or the Appellate Tribunal or the High Court or the Supreme Court or Revision Order passed u/s. 263 or 264 of the Act, by giving reasonable opportunity of hearing to the assessee and within six months from the receipt of the said appellate or revision order.

5. Applying the above provisions of law, the Assessing Officer is directed to pass order pursuant to the giving effect order in the quantum appeal.

6. In the result, the appeal filed by the Assessee is allowed for statistical purpose.

Order pronounced in the open court on 30-06-2025
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Sd/-
(NARENDRA PRASAD SINHA)
ACCOUNTANT MEMBER
Ahmedabad : Dated 30/06/2025

Sd/-
(T.R. SENTHIL KUMAR)
JUDICIAL MEMBER

True Copy

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT

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4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलीय अधिकरण,
अहमदाबाद