IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA-149-2015 (O&M)
Date of decision:- 13.07.2015

Commissioner of Income Tax, Faridabad
...Appellant

Versus

M/s Sobhag Textiles (P) Ltd.
...Respondent

CORAM: HON'BLE MR. JUSTICE S.J. VAZIFDAR, ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE G.S. SANDHAWALIA

Present: Mr. Tajender K. Joshi, Advocate,
for the appellant.

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S.J. VAZIFDAR, A.C.J. (ORAL)

CM-9520-CII-2015 (for condonation of delay in refiling the appeal)

The application for condoning 633 days' delay in re-filing the appeal in view of the averments made stands allowed.

ITA-149-2015

This is an appeal against the order of the Tribunal dated 28.09.2012 upholding the order of the CIT (Appeals) setting aside the penalty imposed by the Assessing Officer under Section 271(1) of the Income Tax Act, 1961 (in short the Act).

The matter pertains to the assessment year 1996-1997.

2. The quantum proceedings have attained finality. The addition of a sum of about ₹ 56 lacs stands confirmed.

3. The CIT (Appeals), however, found that the Assessing Officer had imposed penalty only in view of the addition made to the return of income filed by the respondent/assessee. The CIT (Appeals) and the Tribunal found that the assessee had provided complete details with respect to the loans/creditors and with respect to the miscellaneous expenses. The

additions were made to the assessment year due to non-production of creditors and for disallowance of a part of the miscellaneous expenses. However, as noted by the CIT (Appeals) and the Tribunal, the assessee had not furnished inaccurate particulars of income either.

4. In these circumstances, the discretion exercised by the CIT (Appeals) and the Tribunal in not imposing penalty warrants no interference.

5. Dismissed.

(S.J. VAZIFDAR)
ACTING CHIEF JUSTICE

(G.S. SANDHAWALIA)
JUDGE

13.07.2015
Amodh