IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA No. 91 of 2015 (O&M)

Date of Decision: 11.05.2016

Commissioner of Income Tax (Central), Gurgaon
.......Appellant

Versus

M/s Crew Bos Products Ltd.
......Respondent

CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL
HON'BLE MR. JUSTICE HARINDER SINGH SIDHU

Present: Mr. Rajesh Sethi, Advocate
for the appellant.

RAJESH BINDAL,J.

This appeal has been filed under Section 260 A of the Income Tax Act, 1961 (for short 'the Act'), against the order dated 8.8.2014 passed by the Income Tax Appellate Tribunal, Delhi Bench 'B' New Delhi, in ITA No. 1948/Del/2013, for the assessment year 2003-04, raising the following substantial questions of law:

> (i) Whether ITAT has erred in law in deleting penalty imposed u/s 271(1)(c) of the Act on the ground that such penalty is not leviable in a case where there is mere denial of the claim of deduction claimed by the assessee?
> (ii) Whether ITAT has erred in law in not appreciating that the deduction claimed by the assessee in gross disregard to unambiguous provisions of Section 80HHC of the Act amounts to furnishing of inaccurate particulars of income as contemplated u/s 271(1)(c) of the Act?

Learned counsel for the appellant-revenue submitted that in view of circular No.21/2015 dated 10.12.2015 read with circular No.279/Misc/M-142/2007-ITJ (Part) dated 8.3.2016, issued by Central Board of Direct Taxes, he does not wish to press the present appeal, as the tax effect involved is less than ₹ 20 lacs. However, he prays that liberty be granted to the revenue to file an application for revival of the appeal in case something survives therein.

Dismissed as not pressed with liberty as prayed for. It is however, clarified that withdrawal of the appeal by the revenue shall not be taken as affirmation of order of the Tribunal on merits. The legal issue as claimed by the revenue is left open to be adjudicated in an appropriate case.

(RAJESH BINDAL)
JUDGE

(HARINDER SINGH SIDHU)
JUDGE

11.05.2016
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