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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 654/2016

THE PR. COMMISSIONER OF INCOME TAX-4 ..... Appellant
Through: Mr. Puneet Rai and Mr. Ruchir Bhatia, Advocates.

versus

M/S GOVIND NAGAR SUGAR LTD. ..... Respondent
Through: None.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MS. JUSTICE DEEPA SHARMA

<u>O R D E R</u>

% **26.10.2016**

The revenue is aggrieved by the order of the Income Tax Appellate Tribunal which upheld the deletion of penalty originally imposed by the Assessing Officer on three heads. The assessee had for assessment year 2009-10 made three claims – (i) liability towards creditors to the extent of Rs.42,53,602/- (ii) prior period expenses of Rs.12,72,146/- and (iii) other expenses under various heads of Rs.13,13,224/-. These were disallowed and attained finality. Concurrently, the AO issued notice under Section 271 (1) (c) of the Income Tax Act and imposed penalty on all the three counts. The CIT (A), however, deleted these on a consideration of the materials on record. For the first ground, the CIT (A) was of the opinion that the assessee had furnished the details of creditors; for the second it was held that prior period expenses were included by mistake and that with respect to the third head, the AO appears to have concluded in the original assessment that the vouchers issued in support were unverifiable and self generated, without making any further enquiry. These findings recorded by the CIT (A) were affirmed. We find no question of law in any of these findings which are pure question of fact.

No substantial question of law arises. The appeal is, therefore, dismissed.

S. RAVINDRA BHAT, J

DEEPA SHARMA, J

OCTOBER 26, 2016
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