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

\+ ITA 188/2019 & CM Nos.9395-96/2019

PR. COMMISSIONER OF INCOME TAX- 02, DELHI ..... Appellant

Through : Mr. Zoheb Hossain, Sr. Standing Counsel for Revenue.

versus

M/S CLIX CAPITAL SERVICES PVT. LTD. (FORMERLY KNOWN AS M/S. GE MONEY FINANCIAL SERVICES PVT. LTD.) ..... Respondent

Through : Mr. Sachit Jolly and Mr. Rohit Garg, Advs.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE PRATEEK JALAN

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

% **26.02.2019**

In the present appeal, the assessee's claims for deduction on account of doubtful securitized assets, provision for cost of future receivables, provision for losses on foreclosure of securitized assets were disallowed and certain amounts were added back. These attained finality before the ITAT; the assessee did not choose to take the matter further in appeal under Section 260A. The Assessing Officer had issued notice under Section 270(1)(c) and imposed a penalty to the tune of ₹7,64,14,855/-. The CIT(A) and the ITAT have concurrently however, set aside the penalty after concluding that no deliberate suppression of material facts was resorted to and that the doubtful claim, *per se* could not be characterized as culpable under Section 271. To say so, both the appellate authorities relied upon *CIT v. Reliance Petro Products Pvt. Ltd.,* (2010) 322 ITR 158 SC and other decisions.

The Revenue claims that the assessee did not contest the matter with respect to the substantive addition and had lost concurrently before all the authorities. This court is of the opinion that the mere fact that in quantum proceedings, the assessee's contentions failed, did not *per se* clothe the Revenue with jurisdiction to claim that there was deliberate concealment of facts when claims were fully adjudicated – and having regard to the circumstances of this case, achieved their particular results finally. The order of the CIT(A) was well reasoned. The ITAT's decision cannot be therefore, interfered with. No substantial question of law arises in the present appeal.

This appeal is accordingly dismissed.

S. RAVINDRA BHAT, J

PRATEEK JALAN, J

FEBRUARY 26, 2019
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