213

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITA-290-2011(O&M)
Date of Decision: 09.09.2024

Commissioner of Income Tax-III, Ludhiana

. . . . Appellant

Vs.

Guru Nanak Educational Trust, Ludhiana

. . . . Respondent

****

CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MR. JUSTICE SANJAY VASHISTH

****

Present: Mr. Amanpreet (A.P.) Singh, Senior Standing Counsel for the appellant.

Mr. S.K. Mukhi, Advocate for the respondent.
(***through Video Conferencing***

****

SANJEEV PRAKASH SHARMA, J.(Oral)

1. Present appeal has been preferred against the order dated 23.02.2011 passed by the Income Tax Appellate Tribunal, Chandigarh, whereby it upheld the order passed by the Commissioner of Income Tax (A), deleting the penalty of Rs.14,23,480/- levied under Section 271(1) (c) of the Act.

2. Learned counsel for the revenue submits that there was no occasion to delete the penalty, as the refusal to grant exemption under Section 10 (23C)(vi) of the Act was only subsequently quashed by the concerned jurisdictional High Court.

3. We have considered the submissions that once the jurisdictional High Court has quashed the action of the Chief Commissioner of Income Tax refusing to grant exemption, automatically the exemption would apply from the date it was applicable and accordingly, the Commissioner of Income Tax (A) has rightly deleted the penalty imposed by the AO, which was solely on account of the aforesaid reason.

4. We do not find force in the argument raised by the revenue and find that there is no reason to interfere with the orders passed by the Commissioner of Income Tax (A) affirmed by the order of Income Tax Appellate Tribunal dated 23.02.2011. Accordingly, the present appeal is hereby dismissed.

(SANJEEV PRAKASH SHARMA)
JUDGE

(SANJAY VASHISTH)
JUDGE

September 09, 2024
Rashmi

1. Whether speaking/reasoned? ***Yes/No***
2. Whether reportable? ***Yes/No***