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Commissioner of Income Tax Vs Punjab State Leather Development Corpn. Ltd.

IT Appeal No. 128 of 1999

Court: High Court Of Punjab And Haryana At Chandigarh

Date of Decision: July 4, 2001

Acts Referred:
Income Tax Act, 1961 â€" Section 143(1)(a), 260A, 271B, 44AB

Citation: (2001) 119 TAXMAN 258

Hon'ble Judges: Jawahar Lal Gupta, J; Ashutosh Mohunta, J

Bench: Division Bench

Advocate: R.P. Sawhney and Rajesh Bindal, for the Appellant; R.N. Sharma, for the Respondent

Final Decision: Dismissed

Judgement

@JUDGMENTTAG-ORDER

Jawahar Lal Gupta, J.
The revenue is aggrieved by the order passed by the Tribunal. A few facts relevant for the decision of this case may

be noticed. The respondent-assessee filed the return of income which was processed u/s 143(1)(a) of the income tax Act, 1961 ("the Act").

Proceedings u/s 271B of the Act were initiated. A show-cause notice was issued. It was alleged that provisions of section 44AB had not been

complied with. The assessee filed an explanation. It was not accepted. Vide order dated 28-8-1991, the assessing authority levied a penalty of Rs.

one lakh. The assessee filed an appeal. It was dismissed by the Commissioner vide order dated 2-12-1991. However, the order regarding the levy

of penalty was reversed by the Tribunal vide its order dated 12-4-1999. The revenue has filed the present appeal u/s 260A of the Act.

2. Notice of motion was issued.

3. The counsels for the parties have been heard.

4. On behalf of the revenue, no defect in the order has been pointed out. Thus, there is really nothing to consider. However, we have examined the

order. It shows that the assessee is a Government Corporation. It had filed its return along with tax audit report on 31-12-1990. Auditors had

prepared the report on the basis of the unaudited profit and loss account and balance sheet as on 31-3-1990. Statutory auditors were appointed

by the company. They were in the process of audit. The final audit report was completed in March, 1992. In view of these circumstances, the

Tribunal rightly took the view that the assessee was not to blame. Thus, the order of penalty was quashed. We find no infirmity in the order so as

to call for any interference. The appeal is, accordingly, dismissed. No costs.