

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DIVISION BENCH 'A', CHANDIGARH**

BEFORE MS. DIVA SINGH, JUDICIAL MEMBER  
AND MS. ANNAPURNA GUPTA, ACCOUNTANT MEMBER

**ITA No. 1413/CHD/2017**

Assessment year: 2012-13

M/s Kinko Computers Industries,  
Vill-Bilanwala Labana,  
PRG. Dharmshala, Teh-Baddi,  
Distt. Solan.  
PAN No. AAJFK6184C

Vs.

The DCIT,  
Circle,  
Parwanoo.

(Appellant)

(Respondent)

Appellant By : Shri Sudhir Sehgal  
Respondent By : Smt. Chander Kanta, Addl. CIT

Date of hearing : 04.04.2018  
Date of Pronouncement : 19.04.2018

**ORDER**

**PER DIVA SINGH**

The present appeal has been filed by the assessee assailing the correctness of the order passed by the CITA Shimla dated 25/07/2017 pertaining to 2012 – 13 assessment year wherein the penalty imposed by the assessing officer under section 271 (1) C was confirmed by the CIT(A).

2. The Ld.AR inviting attention to the grounds raised challenging the order on merits submitted that the appeal of the assessee has to be allowed in view of the fact that the additions made by the assessing officer which had been enhanced by the CIT(A) in the quantum proceedings stood deleted by the order of the ITAT dated 24/01/2018 in ITA 377/CHD/2017. Filing a copy of the aforesaid order dated 24/01/2018 it was his submission that the penalty order may be quashed. Copy of the order of the ITAT was made available to the Sr.DR and the appeal was passed over so as to afford the Revenue time to go through the order passed in the quantum proceedings. After the pass over when the appeal came up for hearing the Ld. Sr.DR did not dispute the submissions of the Ld. AR and submitted that the quantum appeal has been decided in favour of the assessee.

3. We have gone through the material available on record and taken into consideration the impugned order as well as the penalty order and the

aforesaid order passed by the ITAT in the quantum proceedings. On a consideration thereof we are of the view that in the peculiar facts and circumstance of the present case the penalty order deserves to be quashed. The impugned order is set aside. Said order was pronounced in the open court at the time of hearing itself

4. In the result the appeal of the assessee is allowed

Order pronounced in the Open Court on 19<sup>th</sup> April,2018.

Sd/-

**(ANNAPURNA GUPTA)**  
**ACCOUNTANT MEMBER**

Sd/-

**(DIVA SINGH)**  
**JUDICIAL MEMBER**

'Poonam'

Copy to:

1. The Appellant
2. The Respondent
3. The CIT
4. The CIT(A)
5. The DR

Asstt. Registrar  
ITAT,Chandigarh.