

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCHES : SMC-I : NEW DELHI

BEFORE SHRI R.S. SYAL, ACCOUNTANT MEMBER

ITA No.4189/Del/2014
Assessment Year : 2007-08

ITO,
Ward-6(1),
New Delhi.

Vs. Mahavir Concast Ltd.,
143, Jagriti Enclave,
New Delhi.
PAN: AADCM7409B

(Appellant)

(Respondent)

Assessee By : Shri Rajesh Kumar Jain, CA
Department By : Shri S.L. Anuragi, Sr. DR

Date of Hearing : 30.09.2015
Date of Pronouncement : 30.09.2015

ORDER

This appeal by the Revenue arises out of the order passed by the CIT(A) on 23.5.2014 confirming penalty of Rs.4,07,286/- imposed by the AO u/s 271(1)(c) of the Income-tax Act, 1961 (hereinafter also called 'the Act') in relation to the assessment year 2007-08.

2. I have heard the rival submissions and perused the relevant material on record. It is observed that the sole basis for imposition of penalty u/s 271(1)(c) is the addition of Rs.12,10,000/- made by the AO on account of disallowance of interest. This addition has been finally deleted by the Tribunal in quantum proceedings vide its order dated 17.4.2014 in CO No.290/Del/2011. In view of the fact that the very bedrock of penalty, being the addition of interest has been deleted, there remains no occasion for confirming any penalty. I, therefore, uphold impugned order in deleting the penalty.

3. In the result, the appeal is dismissed.

The order pronounced in the open court on 30.09.2015.

Sd/-

[R.S. SYAL]
ACCOUNTANT MEMBER

Dated,30th September, 2015.

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Copy forwarded to:

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

AR, ITAT, NEW DELHI.